

Riconocutto
Michael RICONOCUTTO. NOTES OF PHONE CONV. 12/29/87
(My questions in para's)

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On Consolidated Savings and Loan R says Octavio Angotti, President of Consolidated Savings was formerly head of Bank Hapaulin, the Isreali bank. That's where the tie comes in with the attempted hit on Ferrante in 1982 by the two Mafia hitmen, Sam Meiowitz and another. Bob Nichols and I were the ones who caught Meiowitz. He was scared and not only confessed to the Ferrante thing but a whole lot of other stuff that I just covered my ears. He was scared and just didn't want us to kill him. I still have his passport.

Angotti is a pretty clean guy. There's been a falling out between him and the boys. (You mean he's not involved with the mob any longer?) Well the boys he represented were Isreali.

(Angotti threatened to kill federal bank regulators) I can't picture Tony doing that. I'll tell you something, that's not Tony. Tony is a practicing Catholic. (Another person explained that Angotti swore at them in Italian and they misunderstood... the literal translation was "I'll cut your balls off." Does that sound like Angotti?) That's him precisely. And mess with Tony or his family and he will cut your balls off. And believe me he runs with a crowd that could do it. He runs with some old line people who have been together for thousands of years. Heavy duty stuff... and it's not the mob. It's the Isreali's.

When you look at Ferrante and who is tied in there you are talking the clash of the Titans here. Right at little Consolidated. Consolidated was an under \$100 million institution, ok? But you're looking at some things that surfaced there.

(Note: Marshall Riconocutto was heavily involved with Pat Moriarity the fireworks guy who's now in jail for bribing an State Senator... Roos. Feds say Moriarity was heavy into drug (cocaine) traffic out of South Am. A plane load of Moriarity stuff is still sitting on a remote runway waiting for someone to pick it up, says a fed source.)

(Mario Renda surfaced at Consolidated, didn't he?). (Long pause). ...Well, you've done your homework. What do you know about Mario and Saudi Arabia and Petromin money. He was there too.

(Where does all the money stolen from these S&L's go, the up-front crooks like Ferrante don't seem to have it?) They don't have any of it. And they're sweating. I know precisely where it goes and that's why my life is not worth a plug nickel and I'm under threats all the time.

I found Morasca's body. I spent 8 hours with the SF cops. They made a 50 minute tape of my comments during that time trying to trap me.

I testified to the grand jury that Thompson admitted to me that he killed Paul. They have it cold turkey, more than enough to throw the book at Thompson.

I had some legal problems that the SFPD has blown way out of proportion into a big rap sheet. At that time it was the Bur. of Narcotics and Dangerous Drugs who were after me. At that time I was an FBI operative and when I jumped bond on those charges the supervisor of the FBI office up here had me hiding in his basement for three weeks. The only reason I went and turned myself in is that my wife came to me and assured me she would stay with me no matter what happened if I turned myself in at that time. The day after I turned myself in she came in and said sorry sucker and left.

What I can't understand is how the government can bilk legitimate business out of money to fund these covert operations. They should be funded out of the treasury from Congress. I was instrumental in getting the five swing votes they needed to get that first \$100 million (for the Contra's). We did the lobbying for it at the last minute. So it can be done through congress.

(Was Renda getting government money) It was PetroMin money and government. Same thing with Nuegin Man all PetroMin dollars. Renda did business with the Saudis. When the Saudis need special technical assistance they usually go thru Wackenhut. The radar the US wanted to sell the Saudis was 17 year old stuff. John Nichols had a suitcase sized radar processing system that was several thousand times more capable than the AWAC's system the US wanted to supply to the Saudis. I'm talking suit case size with the exception of the microwave plumbing and antenna. Everything else was there, the radar transmitter/receiver the data processing devices, all weighed about 140 pounds.

Beryl Barber in Santa Rosa made critical tactical devices for the nations missle defense. His company was deliberately busted. He was put into a compromising position. That makes another story.

On the Morasca murder, the FBI got into that because Paul was trasported across state lines. Philip Arthur Thompson and others grabbed Paul in Nevada and was actually killed up near Forestville. He was held in Forestville and interrogated there where he was ten days. Thompson strangled him several times over a period of ten days and then revived him. They then brought him back to his apartment where they held him while they went to check out the info he had given them under interrogation. But Paul died before they were through with him. He was tied up that way to make it look like he died there.

Thompson tried to kill me. He had me tied up in the backseat of his car heading up highway 405 going north. That's when he told me about killing Paul. But I freed myself and jumped out when we got stopped in communitate traffic.

(I hope you are dealing with less dangerous people these days) No, actually not. It's the only place where I can get work. No one else wants me. *Has a big computer.*

When we meet I will have some people with me, one will be from the district attorney's office if you don't mind.

The guy who had that gun, Mike Krieg was blown up in 1981 up around your way. They're still trying to solve that one. Then there's another murder, a guy killed just like Paul was and left tied with a telephone cord. And I've been cooperating very extensively with those people. Now SF and Homicide want very much to rope me into Paul's murder. I appeared at the grand jury and they never called me back. Now Paul was a highschool friend of mine and I have vowed to make it hard on everyone involved in his murder. I told these people that if they had to take him out they could have just blown his brains out, they didn't have to torture him. That was just pure psychological torture aimed at me because they knew we were close. Infact the guy who introduced Paul and I is now the prosecutor in Kern County, Edward R Jagels. And Jagels stood most to loose by Paul staying alive. The guy ran the states Narco Task Force to two years.

Now when I went in to talk to SF Homicide I was sent in with a firm set of guidelines from Nichols and Wackenhut as to what I could talk about. Within hours after I left I was chastised by Nichols, who had a complete transcript of what I discussed with Homicide. He reprimanded me *I was still an employee of Wackenhut then.*

penetrated very early on. What tipped Peter Zokowsky off to trouble was that a full KGB Col. showed up at the reservation one day. Col. John Pierre Bogner, he was the Jackle. The guy who tried to assassinate DeGall. He served time in prison for that. Nichols claimed he was ensnaring him. He told me Muscumus (phonetic) was out there with a crew and was on top of him, ok? Well John didn't know I was talking to Muscumus behind his back and Muscumus said it was the first time he had heard about it. So Nichols had been bullshitting me about that. So I went back to Peter Z. and told him that we had a real problem here, that he had better get hold of so-and-so at Picatinny Arsenal and we better close this operation down NOW before something sensitive gets out there.

(Was Nichols ever a made member of the mob) Absolutely not. He's got something on them but he's an intelligence officer.

Nichols is doing a Ramada Inn and Casino in Indio with \$9 million that been floating around that I've been tracking. I drove down and looked at the project and it's coming along very nicely.

The position I'm taking with the feds and the state of Calif. is that they have allowed a continuing criminal activity to flourish. As a result I have been damaged. I cannot work in conventional ways because I'd get nailed. I have tracked x number of dollars skimmed out of that operation down there on a continual basis.

Ted Gunderson and I are the guys who put Nichols away on the murder for hire thing. And he's unhappy about that. He purchased torpedoes (hitmen) from certain people, I tracked them. We drew fire. I documented their real names, assumed names, what they traveled under and what their objectives were. Finally I went back to the big-boys in Chicago and had a sit-down with them and they decided that John Nichols and I had a problem and they weren't going to send anymore of their people. Were talking about Fat Tony (Arcados) out of Chicago. Were talking Buzzy Catalini on the East Coast, Victor Proctotello in Miami.

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Do you know Beryl Barber? (Yes. He was the guy who was going to do the goggles up here, Sonoma Engineering and Research) Who told you about that. (Peter and Bob Nichols) How did you get in touch with Bob Nichols? (Didn't recall) He's working for the NSC right now. He's a very formidable fellow. (Bob Nichols told me to forget this story, too dangerous) Sage advice, sage advice. His advice is very sound. He's an expert.

(Nichols was skimming from the Bingo Parlour wasn't he) Yes, but he was skimming for funds for the covert operation. Most of that money went into Chili.

(Did Nichols screw Reeder on the Bingo Parlour?) Absolutely not. Reeder knew what was going on. Reeder was doing someone else a favor and he got his end somewhere else. (Do you know about Ron Sainz?) You're on the right track. (And then there's the Butchers and the Joe Duncan affair that involved the letter to the judge from Meese's wife.) There you go.. that's it. I'm impressed.

Sandy Feldman at the state AG's office never acted on this. I'm told that over half a million has been sent to the governors office to keep the AG's people away from that new Ramada project while its in its embryonic stages.

(The guy who worked with Renda ran a CIA airline out of South East Asia.) I know. Mario and I talk every other day. You understand that? Mario is a straight shooter, ok. (Mario is going to jail isn't he?) I don't think so. No. He's somebodies boy. He's reading the script.

Now the two SA of the FBI, one from up here and one from the Olympia office told me that if I turned myself in there was nothing they could do for me. They were going to have to let me down for six months to a year.

(My impression is that this thing on the Cabazon Reservation was the beginning of the administration's Contra resupply.. is that correct.. and they were using Wackenhut as the synaps across which they dealt with people like Dr. Nichols.) Right. That's right. Did you understand the Casey was corporate counsel for Wackenhut before Regan put the tap on him for the CIA job? And Carlucci is on Wackenhut's board of directors.

You hit the nail on the head with what was going on on the reservation except now you've got to drive the nail a little deeper. But you're right on the mark.

(What killed the arms deal, it never happened) Paul's murder queered the deal. To hot after that.

(What about the computer in Paul's apartment with the missing parts?) Right, and who got the computer? Where is that computer.

(Did it have access codes for off shore accounts containing \$144 million?) No, more than that.

(Where'd the money come from? Was drug money) Absolutely not!!! It was covert operation money.

(Why was Mary Quick murdered?) I can't even talk to you about that. The guy that was with me had an uncle who was the CIA's point man in Europe. He disappeared. 20/20 did a story on him, George Weiss. In that story the agency said right out, "we did not kill George." That was Brian's uncle. He was the guy who went out in a row boat alone but ended up shot. Brian Petrucci was the guy with me. He was a family friend of Mary Quick. I've got to talk to my attorney before I talk any more about this.

Braun is a CIA lawyer. He never represented me.

(Did Nichols have Alvarez killed because he was getting in the way of this arms deal) No. He was getting in the way period.

There were only 8 or 9 active Indians involved in the tribe counsel and Alvarez was the swing vote.

(What role did Reeder play in this) You're the first person to come up with anything concrete on Reeder. Reeder wanted in on the arms deal but I had direct conversations with Reeder on how he could become involved in the deal and so did Paul Morasca. Reeder's role is clean money. He came up with clean money.

Do you realize that Nichols brought me and a guy who was head of funding for all research for advance weapons laser research for the Naval weapons research, this guy had been handling the check book for over 12 years. He bought me and this guy, into Charlie Carter's office at NASA. We were going to launder money through NASA, ok? And this was right after we had had lunch with Judge William Webster. I've been polygraphed on video tape on this. I went to Jason Sonheim at Channel 2 who's a close friend. I said I'm in trouble. When my creditability was at stake Jason stood by me and said that he had known me since I was 6 years old and that I had never lied to him.

Do you know that I was the first person granted congressional immunity for testifying in the Contra Hearings last year? You bet.

(At the reservation we had Zongari and other mob people. Was Reeder involved.) No, Reeder came from a completely different direction. When they realized they couldn't do it with Zongari and Tommy Marston, so there was a guy named Rogers who they turned to first but he wasn't heavy enough financially. That's when they brought in Reeder. Reeder comes across squeaky clean, except that when I was working with the DOJ guys piecing this thing together I came up with some unsettling things about Reeder which jived with some personal things I had experienced. I don't want to get into that on the phone.

We were actually put up as complimentary guests at one of Reeder's resorts for several weeks while we worked all this out. And the people who came in and out of there while we were doing that and dealing with the heavy espionage thing around it, would shock you. There are over 30 murdered people around this deal and these people. And the feds were told before these people were killed that they needed to go into protective custody.

Remember the Spulitano investigation and most of the people participating in the witness program were snuffed with the same 22 caliber pistol with a silencer. With a Maxim Silencer. Well that surfaced in the middle of this thing and I was going to turn that over to the FBI. We had two weeks of negotiations, then the guy who had the gun his car got blown up. This is a very complex situation and really requires a matrix and link analysis. You should really sit down and learn how to do it.

(Am I correct then that what we had here was a mob/government operation on the reservation?) Absolutely. You've got to realize that our government entered into a marriage of necessary. When the government decided to take out Castro you know who they sent to do the job.. it was John Philip Nichols. Nichols was supervising the guys who were hired to take out Castro. Castro. That's a matter of record.

(Wasn't he also in on the Allende assassination?) No. He was working for Robert Chasin (phonetic). Chasin and Dino Pianzio (phonetic) were the ones who did that. Chasin was VP of ITT's operations in Chile and is now VP of Wackenhet. After they sing the Star Spangled Banner at Wackenhet board meetings they like to sing Hail, Hail The Gangs All Here.

You know about the Nuegen Hand situation. Well when Paul was killed that's when I realized we'd been double crossed. That's when I pulled the plug. I'm the one who supplied the Washington Post with all the information they ran. A chick by the name of Penny Verdu from the Nation magazine wrote some of my stuff. I took the money and negotiated directly with Stephen Trott through my attorney Don Wanger (Phonetic). Trott was still US Attorney in So. Cal. It was before he joined the Regan administration under Meese. I was going to turn the money in. Somebody high up in the justice department put an end to the negotiations.

Are you aware the Walkers had a joint venture with Wackenhet identical to the one Wackenhet had with Nichols and the Cabazons? The same thing, the same contracts everything. Newsweek wrote about that. Now here we have the Walkers, bumbling idiots, failures in business, failures at everything. All of a sudden they form a joint venture with Wackenhet and they're overnight successes. George Wackenhet was bought and paid for by the Soviets way back in the 1950's.

Wackenhet was just a corporate front for our government's intelligence arm. But it was

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for over communicating. I don't think it was Ed. E I think it was his partner. There was also another supervisor there too.

This case ended a very long standing relationship I had with the FBI, to the point where they would protect me from prosecution by actually ~~hiding~~ ^{criminally} me out. Now Paul's murder brought the rath down on Ted Gunderson and me. Have you seen what they did to him in Fresno.. some gal set him up on the orders of the FBI.

You're talking directly to the man who pulled the plug on the Nugan Hand Bank (in Australia). I put all the money into block currencies in such a way they can't get their hands on it. The money is there and any time the they want to make a deal with me they can, I haven't spent a dime of it... there's \$628 million.. that's the money I pulled. Buddy Yates got ~~held~~ ^{over} \$125 million that's Admiral Yates... So I got the lion's share of it and it's well cared for. I'll spend every dime of it bringing this to the light of day.

In the meantime I'm not doing that bad, financially except I can't keep my clearances. Everyway they have a handle on me someone pulls a string. It's very frustrating.

END

McGuire knew Berge Barber
Ricossauro was ~~the~~ Nichols' understudy for years
I had a wonderful relationship with the FBI until
~~so far~~.

My Inquiries

180 Report

MEMORANDUM FOR THE FILES

4/27/91 RE: STRATEGIC SOFTWARE PLANNING

Source CHIPS has provided the following information on background re. Strategic Software Planning of Cambridge, Ma. The company and its owners, Massimo and Albert Grimaldi, are suspected of collusion with Dr. Earl Brian in the piracy of Inslaw's PROMIS software and its illegal sale to British MI-5 and MI-6.

The information was provided to CHIPS by ONI and other USG sources in the Boston, Ma. area.

The Grimaldi family of SSP are members of the extended Grimaldi family which rules Monaco. They are indeed involved in U.S. intelligence activities, as is the Monaco branch of the family. The marriage of American beauty Grace Kelly to Prince Ranier of Monaco was an arranged marriage through which U.S. intelligence established a beachhead in the small European country. As early as World War II, when the OSS was conducting secret intelligence operations against the Nazis on the European continent, Monaco was an important hub of U.S. operations. OSS member Cary Grant introduced Grace Kelly to Prince Ranier. The Kelly family of Philadelphia was closely allied with the Mellon banking interests of Pittsburgh, dating back to the nineteenth century era of the railroad barons. The Kelly-Ranier marriage led to a deepening of the U.S. intelligence presence in Monaco, prompting some insiders to refer to the country as "Langley Europe."

Through the Grimaldis in Monaco, the CIA maintained a briefing link to Ayatollah Khomeini while he was still in exile in Paris. That secret CIA link to the Iranian mullahs continued after the Revolution that overthrew the Shah. In 1984, through her close friendship with the Shah's widow, Grace Kelly learned of the role of her husband and her adopted country in helping to install the ayatollah in power. This led to a big fight between Kelly and her husband and his brothers. She packed her bags to leave Monaco and spill the beans on the whole sordid affair. This was 1984. It would have resulted in many key details of the Iran-Contra fiasco coming to light. She drove herself out of the palace and was killed in a car crash that the world was told was a "tragic accident."

What Princess Grace would have revealed--at least in part-- was her husband's and the CIA's dealings with Cyrus Hashemi, a major international money laundering infrastructure, and a Europeanwide "private" intelligence network running through Britain, Germany, Monaco and other points with very close ties to the International Monetary Fund. The case of Solomon Schwartz, a Mossad agent, suspected Soviet mole and peripheral figure in numerous

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July 1989 → 114-139-152
Irangate shenanigans, was also somehow tied to the Monaco operations. This is one place where the Cambridge, Ma. branch of the Grimaldi family likely comes in. Schwartz was involved during the early 1980s in smuggling American made night vision equipment to the Argentines.

Monaco was also a base of operations for Jacque Cousteau and his Cousteau Society. Between 1974-1981, the Cousteau Society conducted its own international spook operations out of headquarters in Monaco. This got into the middle of sensitive NATO military testing. Cousteau was involved somehow in the "Rainbow Warrior" incident in league with Greenpeace.

The Cambridge branch of the Grimaldi family, being of Argentine Italian background, were linked by CHIPS' sources to the Schwartz deals. Other names mentioned in that context were Cyrus Hashemi, Leonard Berg and Leon Lisbona.

Another name was mentioned by CHIPS as a possible suspect in the mysterious death of Grace Kelly. He is George F. Okon (dob 8/8/46, recent known address 1306 Henry Ave., Mamaronek, NY. Arrested 1976 on gun smuggling charges - ATF case no. 441 608 756517A. He was charged with smuggling submachine guns and 9 mm "hushpuppies," which are some kind of Smith and Wesson guns outfitted with silencers. Okon is a former Navy SEAL. He operates as a bagman, and was involved with Schwartz et al on the Argentina deal. He usually carries 6-7 passports. He is a bodyguard, frontman and allaround dangerous character. After the Dec. 1989 U.S. invasion of Panama, in which several of his SEAL buddies were killed, Okon reportedly snapped and became wildly anti-American. He may now be working for organized crime, dirty CIA rogue networks or even foreign intelligence services. He drives a Corvette and a Suzuki motorcycle (license plate XSEAL). He is believed to be now involved in gun and drug smuggling through the Northeast corridor of the U.S. into Canada. For a period of time, Okon was operating out of Ireland.

Additional information is that Okon is also an electronics and computer whiz, specializing in demolition devices. There are indications that Okon may have been in Vietnam at the same time as Dr. Earl Brian and Peter Videnieks. Videnieks was in the Navy. The three, it is speculated, were involved in some joint projects in Vietnam during the period of 1967-71.

Okon is believed to currently maintain three addresses: the above cited street address in Mamaronek, an address in Peekskill, New York, and an address somewhere in the Boston area. In recent weeks, he has frequented Big City Diner on 11th Ave. and 43rd St. in Manhattan. Formerly the Original Market Diner, this place is now a private nightclub, probably only open Thursday through Saturday nights. (phone 212-244-6033) The manager, Danny Kane, is a close pal of Okon's and Okon works as a bouncer

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Solomon Schwartz
Bob Gray

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Solomon Schwartz

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at the place. The club is believed to be a hub of numbers, dope and prostitution closely tied to the Gambino family. The chauffeur of John Gotti was at Big City Diner just before his assassination last week.

It is suspected that the organized crime network with which Okon has been linked is involved in transporting drugs into the New York City area. Okon is tied to some of the New York maritime union people in the drug delivery operation. The drugs are being brought in either aboard or in containers towed by sea clamps to barges coming into Long Island Sound. Divers pick up the dope shipments or they are placed in the fuel lines of refueling ships and then brought ashore. What we seem to be dealing with here is a linkup between traditional organized crime families and rogue (?) intelligence types. A number of ex-Navy SEALS have recently showed up in the New York City area working for companies that are ostensibly dredging the rivers and harbors of the area.

CHIPS' sources believe that these dope trafficking activities have some relationship with Dr. Earl Brian and with the SSP Grimaldi group in Boston. He is awaiting further details that could corroborate features of this story.

MEMORANDUM FOR THE FILES

4/29/91

According to source HAYSEED, key leads into the role of Strategic Software Planning in the theft of Inslaw's PROMIS software, as well as its dealings with Dr. Earl Brian in drug running, gun running, money laundering and national security thefts, is to be found in the owners of the buildings where SSP has maintained its offices over the past few years.

SSP currently maintains a 9,000 square foot office at 150 Cambridge Park Drive, Cambridge, Ma. The owners of record on that building are:

- * Steven H. Anthony
- * Joseph W. O'Connor
- * James A. Progin
- * Peter M. Small
- * Joseph Yanofsky
- * Robert Yanofsky

Up until April 1990, SSP was headquartered at the Riverview Building, 245 First Street, Cambridge, Ma. The owners of that building are:

- * John Kusmiersky of Beverley Hills, Ca.
- * Martin Spagot
- * Leonard H. Mandel
- * John G. Baker
- * Edward F. Barry

* Dean F. Stratouly

According to HAYSEED, Kusmiersky and Baker are known to be involved in money laundering activities for the Syndicate. He says that by tracing the backgrounds of these real estate holders, ties will be unearthed to companies in New York, Texas, the eastern short of Maryland and Britain which are all involved in the theft of PROMIS.

MEMORANDUM FOR THE FILES

4/30/91

Last week, when the Mercy jet took off from Bradley International Airport near Hartford, Ct. carrying blankets and other humanitarian aid to Kurdish refugees inside IRAN, Dr. Earl Brian and George Okon were on board. It is suspected by ONI and other USG agencies that the pair were traveling aboard the aid flight to carry money and/or other contraband out of the country. The humanitarian nature of the flight and the coordination between the Iranian and American governments virtually insured that there would be not attempt made to search the plane's cargo or passengers.

Brian and Okon deplaned at an intermediate stop, probably Tehran. Okon returned to the United States via Canada 48 hours later. Brian arrived on Saturday, April 27, 1991 at Boston Logan Airport aboard a private corporate jet. That jet originated somewhere in Texas. It is unknown how Brian re-entered the United States. It can be safely assumed that there is no Customs record of Brian's return. However, the fact that they made the trip under the cover of the humanitarian mission into Iran means that Brian and Okon now have active visas permitting them to travel in and out of Iran.

When Brian landed at Logan airport, Okon was waiting there to pick him up. They drove off together. The corporate jet that brought Brian to Boston was registered in Paris to Desault-Mysteir/Aerospaciale.

Source CHIPS reports that his USG sources are pretty sure that there was at least one journalist aboard the plane carrying the blankets to Iran. It is believed that Brian put up some or all of the money to finance the humanitarian aid flight into Iran.

There are many Americans now moving in and out of the Mideast, especially Kuwait and Saudi Arabia. There is an unnamed front company in the UK which is hiring American engineers to go into the Gulf to work

on reconstruction projects. It is an ideal cover for conducting covert operations. Another Boston-based group is working on a project to reclaim and restore the Kuwaiti art treasures looted by Iraq during the occupation of Kuwait City.

Brian's alleged involvement in financing the humanitarian aid flight is just one example of his involvement in spreading a lot of money around to "charitable causes." He also gives loads of money to politicians from both major parties. He has reportedly funneled a lot of cash into the Kennedy machine. Most of Brian's money is presently stashed in Canada. Banks referenced to CHIPS include Crocker Bank of San Francisco, Ca. and Crocker Ltd. of Montreal.

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MEMORANDUM FOR THE FILES

5/3/91

According to CHIPS, ONI is hot on the trail of George Okon and Dr. Earl Brian. It may turn out that Brian is in the middle of a major heroin transaction involving the Gambino family, dirty elements of U.S. and British intelligence and others. It is pure hypothesis, but worth noting that Brian's involvement in this apparent heroin shipment could be linked to his personal financial difficulties--ie. an attempt to get his hands on some quick cash to bail out UPI, FNN, etc.

The facts, as passed from ONI/Boston to CHIPS are as follows.

The Big City Diner, where John Gotti's chauffeur was seen shortly before his assassination last month, is just two blocks away from the Cunard Line pier on the West Side of Manhattan. The diner/private club is a hangout for people who use those shipping lines for smuggling.

There is a UK-German-Japanese consortium called Trio Container Service which handles the offloading of containers from ships. Apparently, employees of Trio in New York City are on the mob payroll and are used to smuggle drugs into the United States.

During Operation Desert Shield, enormous numbers of commercial containers and non-military ships were conscripted into the sealift of military equipment and personnel to the Gulf. As many as 25,000 containers have still never made it back into civilian shipping operations.

There is at least one, and probably two containers

that were specially constructed to conceal large shipments of heroin that are among the missing containers. One of the missing containers was manufactured by a company in the UK called Craven-Tasker. The container, an 8' X 40' model No. 150 668-1A, was rebuilt with a lighter weight false floor so that the weight of the container would conform to that of an empty container, while actually holding 350 kilos of pure heroin. The heroin shipment was part of an overall guns-for-drugs transaction. The container had been the property of Mitsui OSK Lines at the time that it was coopted into military sealift use.

The assassination of John Gotti's chauffeur, according to CHIPS' source, was linked to the missing container of heroin. The chauffeur was in some way directly responsible for securing the safe delivery of the heroin, and there is apparently some suspicion that the shipment was somehow bungled by him.

Two or three years ago, George Okon was implicated in a BATF bust of a shipment of 2,000 AR-15 rifles that had been modified into fully automatic M-16s, with the serial numbers all erased. The gun shipment was seized in Lower Manhattan and the "Japanese Group" was implicated in the operation. CHIPS' people believe that the BATF bust in the late 1980s and the missing heroin shipment today are part of the same ring. And they are convinced the Okon is involved.

Okon has two cellular phones in his car, as well as a fax machine. The use of cellular phones to fax messages is an almost foolproof method of relatively cheap secure transmission. One of Okon's fax messages was, however, intercepted. It contained the serial number (see above) of the missing container. That fax transmission was done at Logan Airport last week, while Okon was waiting to pick up Earl Brian. Okon is believed to now maintain an apartment in Everett, Ma. Early this week, he rented a Lincoln Continental in the Everett area and drove down to his other house in Peakskill, N.Y. with a trunk and back seat loaded with heavy wooden boxes (contents unknown).

Boston authorities apparently believe that there are at least two heroin shipments now missing in transit. The street value of the missing heroin is placed at \$750 million. These shipments are part of an eight month surge in heroin shipments into the New York/New Jersey area over the past eight months. The increase in heroin into the New York area is linked to the crack "poison" scare that has swept through the region in the past months. A number of people have died or been rushed to the emergency room after using crack laced with some kind of poison.

CHIPS says that the missing heroin could trigger a broader war among rival mob family factions in the

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New York/New Jersey area. He also reports that there is some kind of link between this story, Brian and Okon, and the Christian Defense League's paramilitary training camp in Reliance, Tn. The CDL has some kind of secret working arrangement with the remnants of the Jewish Defense League. This is tied somehow to the Project Democracy secret intelligence networks, and their dealings with the mob in generating cash through dope deals. The assassination of Meir Kahane in New York City last year was also somehow tied to this gun/drug operation. Presumably details will follow that will clarify this specific piece of the story.

end.

MEMORANDUM

6/22/91

The following are a series of chronological reports from CHIPS on the status of the George Okon case and the shipment of heroin. I will include the date the information was received at the end of each entry, as this is a "catch up" memorandum reflecting a series of discussions over the period May 3 to the present.

1. Okon is frequenting a store in Peakskill, NY called Books and Antiques, located at 101 South Division Street. The store may be functioning as a front for his criminal activities. This information reflects ongoing surveillance of Okon when he shows up in the Peakskill area. (5/3/91)

2. CHIPS reports from both police and ONI sources that it is expected that there will be other shootings relating to the missing heroin shipment into the New York City area. He described a drive-by shooting incident in Forest Hills, Queens of a couple in a Mercedes who were shot at by a team of people driving in a stolen sports car and two motorcycles. There was automatic weapons fire. Several of the attackers were caught and are described as hispanics. This shooting incident may be related to the heroin deal-gone-sour.

CHIPS also provided more details on a covert training site being frequently used by Okon to prepare his ex-SEAL teams for underwater dope pickups. The site is located near Downsville near the Catskill Mountains in New York state ten minutes from the Pennsylvania border. The area is convenient for access to the Vermont and Massachusetts borders as well. Okon trains between Monday and Thursday at that site. Among the guys training at the site with Okon are some former members of Seal Team II. They are doing some kind of training involving motorcycles,

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possibly assassination tactics like those used frequently in Europe and South America. According to ONI sources in Boston there are Ku Klux Klan members supporting this training camp from the Pennsylvania and New Jersey branches. It is suspected that the assassin(s) of Rabbi Meir Kahane were also linked to the networks operating this camp. A CHIPS source in Fayetteville, N.C. (ex Green Beret) has independently confirmed that some of the KKK networks in Pa. are involved in largescale arms purchases.

(5/13/91)

3. As of the last week in May, the container carrying the heroin is believed to be in the port of Rotterdam. It now appears that there are more than one container, Two Japanese ships and one ship with Panamanian register left Rotterdam carrying empty containers. The containers on those ships arrived in Rotterdam from Nicosia, Bari and other locales. It is believed that one of the containers carrying the heroin will be dropped in either Massachusetts, Newark or Philadelphia. So long as the containers arrive manifested empty, they will not be searched by port Customs officials. The shipments will probably arrive in port after dark, further improving the probability that it will not be searched. The fall back is that if it appears that there could be some alert up in port (and the Gotti people will almost certainly be tipped off to any pending problems), the heroin will be dumped in the waters off Rhode Island in Long Island Sound and will be grabbed up by divers--ie. Okon's team. It is expected that the heroin will arrive in the United States within the next 21-35 days at the most. Estimates at this point are that the heroin load is 1,500 pounds of pure heroin.

George Okon recently purchased diving equipment for a five man team. The equipment purchased would allow divers to spend 45-60 minutes underwater, as deep as 90 feet. The supplies were purchased from the Westchester Diving Equipment Company. Okon, according to people keeping close tabs on his comings and goings, has been operating on an erratic schedule lately. His motorcycle was gone from his Peekskill house all weekend, and his Corvette was repainted and remained at the house. He has decals on the car that read "Scuba Divers Do It Deeper" and "Lady in Red." His Corvette has been spotted on several recent occasions outside the City Diner on 11th Avenue. At the same time, John Gotti's limousine has been there.

There has been a rash of cocaine deaths in New York City in May. Over an eight week period, 240 cocaine deaths were reported at the city hospitals. This has caused a panic and the price of cocaine has gone way down. The market is ripe for a massive influx of heroin.

(5/29/91)

4. It is believed by U.S. Customs Intelligence

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that part of the money to finance the big still missing heroin shipment came out of Las Vegas. It may be the Sam Giancana organization. The fallout over the missing shipment continues since the assassination of the Gotti chauffeur. It is expected that there will be at least two more mob assassinations in the New York City area. One murder could even take place at the Big City Diner. Again it is expected that one of the top mobster's chauffeurs will be hit. (5/31/91)

5. Okon disappeared several days ago, shortly before police in Portchester, New York raided a garage where Okon used to stash some of his scuba equipment. Cocaine valued at \$50 million on the street was seized in the raid, carried out by the New York Drug Enforcement Task Force. Followup raids in Texas, New Jersey and elsewhere in New York should occur over the next 15 days.

Boston ONI believe that Okon is involved in the contract to bring the big heroin shipment into the United States. The load is now estimated at between 1 1/2 and 2 tons. The ship carrying the "empty" container arrived in the past days in Canada and it is expected that 1 1/2 tons of heroin will hit the streets of the East Coast of the United States within the next three to four days. Nick Adamo in Yorktown Heights, NY is believed to be the local point man for the arriving heroin. He owns the Route Six Hotdog Truck which is located usually at the Lee Boulevard Mall. He is believed to actually be the largest narcotics dealer in the area.

Okon's team of operators largely consists of ex-Navy SEALS who are now average between 35-50 years old. They operate as a team of contractors who are for hire to different narcotics trafficking organizations to facilitate clean pickups of drugs. This operation apparently got rolling post-1982 when the South Florida Task Force efforts prompted some of the Latin American drug traffickers to begin smuggling dope into New England.

CHIPS reports that it now appears that some Atlantic City interests also put \$50 million into the heroin purchase. (6/6/91)

6. On June 14, Port Authority Police found the body of Ralph DeSimone, 55, stuffed in the trunk of his car in a parking lot at LaGuardia Airport. Four days earlier, according to a New York Post clipping, he was kidnapped in Fort Lee, N.J. The kidnappers placed one call to his family demanding \$150,000 in ransom but never called back to specify any details. DeSimone was associated with the Genovese o.c. family and served a 10 year jail term in the 1970s for a drug conviction. DeSimone was a cousin of Louis Pacella, a man involved in the 1979 skimming of \$50,000 from the Westchester Premier Theater. FBI spokesmen told

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the New York Post "we are looking at an organized crime connection [to the murder] and a narcotics connection, among other things."

According to a CHIPS source two more hits are expected, perhaps in New York City and Florida. The Gambino-Gotti-Castellano family combine were involved in putting up the cash for the heroin shipment, and the deaths are a fallout of the problems with that shipment. This source, a special unit cop in Queens, New York, confirmed that Okon is a known entity who is known to pal around with police assigned to organized crime investigations. Some of these cops are known to frequent the Big City Diner on 43rd Street. Some of these murders are not only linked to the heroin shipment, but are also linked to the upcoming John Gotti trial.

As of June 17, the heroin shipment has successfully landed in the New York City area. The heroin passed through the Boston port on the day that the big parade was taking place in New York City honoring Desert Storm. A lot of resources were diverted into anti-terrorist missions surrounding that parade and as the result of Police and U.S. Customs attention being diverted, the heroin arrived into the New York City undetected. Now, however, some Boston area organized crime families are squawking over the fact that the heroin passed through their territory without them receiving a commission (even though the heroin was in and out of the New England area in less than eight hours). Nick Adamo of Yorktown Heights was definitely linked to the shipment's arrival in the New York area. Before being cut for street sale, the heroin was 98.3 percent pure Golden Triangle China White heroin.

One other Gotti link to this shipment could be through Bruce Cutler, Gotti's attorney and business associate. Cutler was recently on several occasions seen at the Le Chateau Restaurant in South Salem, N.Y. (the old Morgan estate). (5/17/91)

7. Safe Flight, an airplane company located at Westchester County Airport in White Plains is linked to Okon and possibly to some of the drug trafficking cited above. CHIPS now believes that the Okon-Brian connections may be of less significance than the Okon-Videnieks links. He has gotten some indications from his ONI sources that Videnieks and Okon were both Navy men in Vietnam at the same time. They possibly linked up there. This is not to say that Okon was not at Logan Airport meeting Brian's arriving flight or that the two are not involved together. It may be that the relationship between Okon and Brian is purely "business" and is handled on a case-by-case contractual basis (ie. Okon does "bodyguard" work as one of his covers), while the Okon-Videnieks ties are

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more personal. (6/20/91)

8. It now seems that when the shipment of heroin arrived in New York City, some people on the New York Police Department's Organized Crime Control Bureau were aware of the pending arrival and did not report that information to the federal agencies. The NYPD OCCB had traced 1,300 pounds of cocaine to a warehouse which they apparently had under surveillance. That warehouse was linked to the expected heroin shipment. When the DEA and other federal agencies moved to bust the warehouse, they found the place crawling with NYPD cops from the OCCB but none of the narcotics were to be found.

The U.S. Attorney's office is fuming about this whole situation and they suspect that one particular Assistant District Attorney assigned to work with the OCCB is at least a key problem. She (unnamed) is a former clerk for Gotti's attorney Bruce Cutler. Recently she has been spotted on two occasions dining with George Okon at Le Chateau in South Salem. The U.S. Attorney now believes that as many as 25 members of the NYPD, most of whom are assigned to joint local-state-federal anti-narcotics and anti-organized crime strike forces, are currently on the Gotti payroll. Customs and DEA are steaming.

It should also be noted, according to CHIPS that the large shipment of China White heroin seized in San Francisco this week is part of the same collection of Desert Storm-delayed containers now arriving in the U.S. Again, the confiscated heroin is pharmaceutical grade. (6/21/91)

JEFF STEINBERG

MEMORANDUM FOR THE FILES
June 14, 1991

GRID OF DEATHS POSSIBLY LINKED TO OPERATION WATCH TOWER

The May 13, 1991 Spotlight has a lead article by Mike Blair on the Operation Watch Tower scandal, citing the Cutolo affidavit but also giving a run down of a number of people who all died under mysterious circumstances once they began asking too many questions about the operation.

* Col. Robert Bayard was murdered in Atlanta, Georgia in 1977 shortly after he provided Col. Cutolo with photographs of David Kimche and Mike Harari. I have spoken with two sources both intimately familiar with Bayard and the circumstances of his death.

One source reports that Mitch WerBell was furious at the Atlanta Police Department's coverup of the murder. A copy of the Atlanta PD file on the Bayard murder was obtained by WerBell at the time and may be retrievable still today.

The second source detailed the "official" version of the murder. Bayard had retired from the Army and set up a private investigative firm in Atlanta. The night of the murder, he was at a local nightclub that he was known to frequent. He left the club and was walking to his car when two black men assaulted and tried to rob him. A fight ensued in which one of the two men shot him. It is not clear whether the gun was Bayard's or the robbers'. A few days later, the gun was sold at a local pawn shop. The police back traced the gun and the pawn ticket to two wellknown local robbers, who were arrested for the Bayard murder. Here, the source was a bit fuzzy on the details. He seems to remember that the two accused robber-killers turned against one another and one or both provided the police with information pinning the shooting on the other. Both men went to jail, both were later released and re-arrested on a separate armed robbery case. Ultimately, the same pair was caught robbing a house and they got into a shootout with the police. One of the two was killed and the other went to jail for a long time.

Nothing in this story excludes the possibility that the killing was a contract hit and that the two black robbers, high on the Atlanta PD's roster of "usual suspects" were framed. It is not known to me or the source whether there were any eyewitnesses to the actual murder.

According to the Cutolo affidavit, at the time of his death, Bayard was scheduled to meet with David

Kimche to discuss his former activities with the U.S. Army and the CIA.

* October 1978, Sgt. John Newby was killed in a parachute accident. He was a member of the Operation Watch Tower team who was stationed at Fort Devens at the time of his death.

* Sometime in 1980, shortly after he wrote his March 11 affidavit, Col. Edward Cutolo died in an accident while on a military exercise, according to a letter written in 1990 by Paul Neri of the National Security Agency. From another source, Cutolo died in a car crash in England. According to Neri, Cutolo told him that he was scheduled to meet with Mike Harari in England at the time of his death.

* Sometime shortly after Col. Cutolo's death, Col. Bo Baker also died. At the time of his death (circumstances unknown), he was in command of the 1st Battalion, 10th Special Forces Group. Baker had been the commander of Operation Watch Tower prior to Col. Cutolo and had been responsible for recruiting Cutolo to the mission.

* On April 21, 1989, Col. James "Nick" Rowe was assassinated in Manila ostensibly by members of the Sparrows Unit of the New People's Army (NPA). Paul Neri had been working closely with Col. Baker and Col. Rowe in the investigation of Operation Watch Tower. In 1987, Rowe had attempted to get CBS Sixty Minutes to do a story on Watch Tower. According to Neri, Mike Harari was in the Philippines three days before Rowe's assassination and left the country three days after Rowe had been killed.

* In June 1989, Chief Warrant Officer Hugh B. Pearce died in a helicopter accident. Pearce had received a copy of the Cutolo affidavit and had been personally briefed at length by Cutolo. Pearce knew that Harari was scheduled to meet Cutolo in England at the time of Cutolo's death. Pearce in turn introduced Col. Rowe to Larkin Smith, a Republican elected official from Camp Shelby, Mississippi. Smith was later elected a member of the U.S. Congress. At the time of Rowe's assassination, he and Neri had been scheduled to meet with Larkin Smith to discuss the Watch Tower probe.

At the time of his death, Hugh Pearce was assigned to the Air National Guard in Wilmington, Del. He was an expert helicopter pilot and was assigned as the personal pilot of the commandant of the Delaware Air National Guard. Pearce, according to sources in the Delaware Air National Guard, died when his helicopter crashed in a severe storm.

* On Aug. 13, 1989, Larkin Smith died in a plane crash.

* On April 29, 1990, Paul Neri died.

An then, uh, my math teacher at the Priory, Mr. Earls (sp?) was living in one of the dormitories on campus. The ones that were by the lake over on the very edge of campus. And I'd ended up to be good friends with Mr. Earl, and he brought me into town one day and we had to stop off at his place, and there was a group of people playing there by the way, uh, music, and I walked up and I recognized some of the people that had been out at Kesey's. One of them was a girl that I was involved with and she introduced me to everybody, including Jerry Garcia, and at that time, Jerry Garcia he was a very neat and trim looking young man, and I've got photos of Jerry Garcia and others that I met in that time period in my diary and my scrapbooks. And, uh, I would say within a month, I was invited to a party on campus and it was a party in the English department at Stanford, and everybody was into esoteric things, the Egyptian Book of the Dead and Zen. There were alot of lectures that were given. All the people from Psychedelic Review, which was a publication, which featured as guest speakers. And then there was alot of drug taking. And all I was doing was smoking a little bit of marijuana. Even to this day, I don't drink. My personal habits are: I very rarely drink and I don't smoke cigarettes. I'm pretty much a tea-totler (sp?)

T.G.- What year was this now?

M.R.- This was in '65. And all through '66, these gatherings were occurring in the English department and I was pretty much, you know, on the outside. Uh, there were alot of small splinter groups that would form and people would go off in various discussions and various other social activities, and I was pretty interested in hanging around, uh, a couple of good friends of mine, one of them who is in the Schalow group and went there quite frequently, and the other was in the physics department. I don't want to give their names.

T.G.- Who were the leaders in this?

M.R.- Leary. most definitely.

T.G.- He was the leader in the English department?

M.R.- Well, in the group. He was not part of the English department.

T.G.- But he was the leader in the group and he was instrumental...

M.R.- Instrumental, yeah, and later on, when I was questioned by friends of mine in a security service company, a private security company, they indicated to me that the goings-on in the English department were quite similar to the group type meetings that were presiding over Harvard University. Now, in '66, the University officials became aware of these candlelight; they were referred to in the university newspapers, as candlelight LSD gatherings, and there was quite an uproar about it. And one day, we had a meeting at the Schalow group in the Varian physics department and we were

discussing this LSD phenomenon. The media had gotten it and we were all discussing it, Schalow insisted. John Emmet set the tone in the meeting by saying, "I make my living with my central nervous system and I think I'm gonna leave it intact." And that was exactly the sentiment that prevailed. And I think to this day, that had it not been for the powerful influence that John had: I really looked up to John and I don't think if I held him in such high esteem, uh that his opinion would have made such an impact on me, but it did really make an impact on me. You know, later on through the years, I saw that he was right. And I had to this very day, I have never indulged in taking acid or any other powerful psychadelic drug. You know, I've taken Librium before and I've taken Opatrome, (sp?) which is, you know, a form of amphetamine pill, but it's a commercially manufactured variety. It's not "made in a bathtub" variety. I became quit well known in the circles there for my light show and the sound work. And I was invited to parties in the city, up in San Francisco and a man named Bill Knuckles (sp?) was the first, well Bill Knuckles and David Kieth (sp?) Uh, David Kieth was a fellow student of mine at the Priory. They were the first ones to take me up to San Francisco and I went to several parties at Tony Peneda's (sp?)

T.G.- Spell his name please.

M.R.- Pinedea, P-I-N-E-D-E-A. And Tony was sort of a social gadfly in the psychadelic scene and his place was up in the Haight-Ashbury (sp?) and it was at his place that I met Luthy Green (Luther MacDonald Green) (sp?) and it was at his place that I first met Chet Helms and Ron Poultning (sp?) and the Resner (sp?) brothers and one thing led to another. And by '66, I was coming up to the Straight Theatre doing light show work, and I was, uh, doing consulting on sound work. Everybody from the Mind Troupe to the Committee, which was a theatre group in North Beach. I was starting to get around and I met Bill Graham when he had the Mind Troupe this was before he was a rock and roll promoter. And I had already known Bill Hand and David Freese (sp?). David Freese was the sound man for Bill Graham when he opened up his first shows at the Fillmore Auditorium.

T.G.- In San Francisco?

M.R.- In San Francisco and he opened it up when it was the Psychadelic Mecca. And Shortly thereafter, Chet Helms opened the Avalon Ball Room. Bill Graham wanted to put on his first shows at Winterland and he couldn't get Old Man Flaherty (sp?) to go along with it. Because, you know, the Ice Follies was a pretty prestigious thing and Winterland was a nice auditorium. And the stories of the acid tests, which were held at Longshoremen's Hall in San Francisco (those were the impromptu guerilla-type gatherings, guerilla theatre type happenings, you know, Kesey planned, where they'd have rock and roll music and LSD available to everybody. Now contrary to popular belief, the LSD at the acid tests were not put in the kool-aid. It was put in the ice cream. It was ice cream that was specially prepared at Foremost at one of the plants, and there was

an inside person that was actually related to somebody in the company. The company didn't officially condone this, of course. The individual took the pure liquid viles, Sandoz viles, from Leary and compounded it into the ice cream for the acid test at Longshoremen's Hall. I knew the brother of the guy who actually did it, and the way they got away with it, well it was his step-brother -- Bill Walt -- was his step-brother and his older brother was a Della Osa. Ernest Della Osa (sp?) was the executive vice president of Foremost International and the brother was working as the manager of one of these ice cream processing plants, and he knew somebody close to Kesey and, you know, that was the connection. At that time, LSD was not uh... in 1966... in '65 and early '66 LSD still wasn't a scheduled substance. IT wasn't illegal.

T.G.- It was not illegal?

M.R.- No, it was made, in 1966, that it was illegal, so I mean this was happening all over. The amphetamine was illegal, but the other things like NTA and TMA, which was synthetic mescaline, those were not illegal until the Controlled Substances Act of 1969, so you know alot of this stuff was out in the open...because of the fact it wasn't unscheduled. Anyway, I became quite involved with the Straight Theatre and I became quite involved with Chet Helms and Bob Cohen at the Avalon Ball Room. And I set up, with Bob Cohen, we set up an electronics laboratory in one of the rooms off to the side of the dance floor at the Avalon Ball Room, which we set up as a recording studio, and which we set up as an experimental laboratory for the visual display and sound-type equipment, and we got pretty esoteric with some of the stuff we did. I have alot of big 8 tapes, alot of 16mm film footage of the Avalon Ball Room shows, and I have an audio tape of every show that was ever put on at the old Avalon Ball Room, and I've got most of the shows that were put on in the Avalon Ball Room when Chet lost his lease from the Scottish Rites people, you know, at the Avalon Ball Room at Sutter and Van Ness and had to go down to the coast. But I was a full partner with Chet in Family Dog Enterprises, with Chet Helms, myself, Chet's wife, Laurie, and Bob Cohen. We were it, basically. There were alot of other people in the situation, well over 60 people involved. I was also involved with the Straight Theatre. I was a principal. And that was the old converted Haight Theatre, which was converted into a dance hall. We took out the, on the bottom floor, we took out alot of the seats and then we put in a parkay floor, dance floor. Uh, that was in late '65 that we started on the Straight Theatre. Uh, late '65, early '66. My memory's not clear on that. I've got diaries on just everything. Okay, so I can get very specific if any dates prove to be inaccurate. When we built the Straight Theatre, on doing, uh, rock and roll concerts there to generate bread and butter and we were going to do underground movies there. Luther MacDonald Green was the principle driving force behind the Straight Theatre. Bill and Hillel Resner were the business managers of the Straight Theatre. I later learned, I would say middle '66, I learned from Chuck Emmet that Bill and Hillel Resner were the sons of Herb Resner,

who is a lawyer for the Communist party in the United States. And at that time I hadn't noticed anything really suspicious going on, but I think you can see from what I've told you, I was there right when it started.

T.G.- What about underground theatre? What kind of movies are you talking about? Are you talking about movies?

M.R.- Uh, mainly Fellini type flicks; all sorts of really off-the-wall type stuff. We have some simplex projection equipment, we have some 16mm type stuff, up to big simplex.

T.G.- Were these drug (related), satanic or what?

M.R.- No, very little satanic influence. Kenneth Anger (sp?) from the Himalayan Academy, was around quite a bit. Robert Love from the Love Family was there quite a bit. Basically, the hip scene in the Haight Ashbury was a pretty amorphous thing, and the Straight Theatre was the only tangible gathering place in the community. And you had everybody coming there, wanting to use the facility to do their thing and, as a consequence, a lot of the more organized, you know, people, you know, would surface there at the theatre. And the Grateful Dead practiced there quite a bit and of course, that attracted a lot of people.

T.G.- What about the underground theatre? Was it communist material or what?

M.R.- It wasn't oriented toward the peace movement. It wasn't drug oriented stuff really. Leary was there only once to my recollection and I knew Leary pretty well. Uh, later on when Leary had charges down in San Mateo, Leary gave me power of attorney over his property in San Anselmo, so, you know, I got to be pretty friendly with Leary. I took care of his home in San Anselmo. In fact, until early 1968, I took care of that piece of property for him, made sure the taxes were paid, and uh...

T.G.- What was the next step after this? Did you get into the new love movement or what?

M.R.- Well, the Peace and Freedom Party showed up there, the Sexual Freedom League was always around wanting to put on some sort of a gig there and likewise; at the Avalon. Uh, they wanted to, you know, put on benefits. We staged a lot of benefits at the Pan Handle which was an extension of the Park that went actually into the Haight Ashbury. And we put on a lot of concerts in the park too, both through the Straight Theatre and the Avalon Ball Room. And, uh, the Peace and Freedom Party, they were starting to put on a lot of gigs.

T.G.- What year was this?

M.R.- This was in '66. And, uh, I started getting involved in the Peace

M.R.- Yeah.

U.P.- That's Army Sergeant. Green Beret.

M.R.- And, you've gotta realize that a deal was made between Dr. Nichols and Philip Thompson. Uh, they were gonna help Thompson get out of his current difficulties with... Uh, they were going to uh... Uh, in December of '81, we had received word, you know, through the Wackenhut structure that an attempt was going to be made on my life. And we later learned that Ben Kalka had paid the Hell's Angels a quarter of a million dollars to get rid of me.

T.G.- But they're your frinds, aren't they?

M.R.- Well, some of them are. Now this, the decision to kill me, was not made in church. Do you know what that means?

T.G.- Not in a group.

M.R.- Yeah, it's a specific term pertaining to "in a meeting".

T.G.- Controlling, controlling faction.

M.R.- Right. Uh, it was not made in church. They would have never done that. This was a group controlled by Doug Orr (sp?), who was the Sergeant of Arms, former Sergeant of Arms for the Daly City, uh, chapter. And, uh, Whitey and Jim-Jim and Deacon and Sergei (Sir Gay?) (sp?) uh, you know, were involved in it. Uh, I believe Jim-Jim was in jail at the time. I'm not sure. I know that his vote was put into the pot. Uh, and Kalka was just horrified by the fact that I was with Paul Morasca. Paul and I had been friends ever since I was a sophomore in high school. That's how far back Paul and I go. And nobody knew of our relationship. And Paul and I put together a company called Recovery Technology Inc., which was going to develop and operate some new and different technology in, uh, or in precious metals processing. And, I mean, the significance of this technology was astronomical. I had Dr. Fun Den Wang, head of the Earth Mechanics Institute at the Colorado School of Mines, begging for Paul and I to be included in the R.G.I. venture. I mean this technology was really hot! And it attracted alot of attention, even though we didn't publicize it. Uh, usually in a gold or mining deal, people will go out and they'll try to hustle money and ninety percent of them, of the deals, are just scams. Uh, we had something, was able to stew in its own juice. Uh, we had the equipment put together. We had the necessary operating capital. It took us less than fifty thousand dollars to get started. We started at Hercules with the scrap and residue platinum catalyst, which was left over in the acid plant. And we were able to generate a hundred and thirty thousand dollars out of that. And, uh, we went up to some, uh, tailings piles, which were up in the northern part of the Sacramento River and we worked those. And we were able to recover the platinum. Uh, on some of the older sites, they didn't have the process technology, at that time, to remove all of the values, especially the platinum group metals. And were able to very economically and very quickly process these values. And at the time of Paul Morasca's death, this technology package was stolen. Uh, portions of it were at the condominium. Other portions

were in a safety deposit box at California Canadian Bank. Other portions of it were in a personal file, which I had kept at Hercules and my wife was the only other person who knew where it was. And my wife, at that time, was having an affair with a Frederick Eugene Card and she turned, uh made available to Fred copies of certain paperwork, which he copied and returned to her. Interestingly enough, before I ever met uh [deleted], uh, Fred Card bragged about having been next to my wife like that, uh, you know, specifically by name, and that he had been able to get certain bits and pieces of the process. And, didn't Fred say that there were certain other things that he needed -- that he was confident he could get any time that he needed from Phyllis?

U.P.- He told that to Stanley Skiba in Goldfield, Nevada.

M.R.- Okay. Uh, they were having some difficulties in making the process work there. And I feel that, you know, this had something to do, you know, with Paul's death.

U.P.- But he did not say that he had a sexual relationship with your wife. He said he was very close to your wife.

M.R.- Okay, but my wife has admitted to me having had relations...

T.G.- But you're divorced now?

M.R.- Pardon?

T.G.- You're divorced now?

M.R.- We're going through the divorce now. We're just going through the property settlement, Ted. And, uh, in my current financial situation, my wife doesn't want to believe that that's a reality. You know, I've been being kind to her by not, uh, by not bringing up the uh, issue of, uh, her, uh, betrayal, uh, to me, uh, to, uh, you know, Fred Card. I mean, I wanted to keep that off the record. If they persist in being hard-nosed in the property settlement, I may uh, I may have to take a different attitude and, uh, drag her through the dirt, which I really don't want to have to do. You know, she's had a hard enough time getting reestablished on her own, which she's done, uh, quite well. Uh, but, uh, anyway, Ted, there was a viable business entity involved with recovery technology. It wasn't just a nebulous front for something. There was some very unique and different technology and the fact of the existence of that technology can be checked and verified through the Colorado School of Mines, and by the fact that Fred Card has just recently, uh, sold it to the, uh, Australian Government on a ten million dollar contract. So there was some very significant technology there. Uh, what makes this technology so, uh, really hot is that it can be used for cobalt and other strategic metals, and that was the main interest of Dr. Fun Den Wang, was from the strategic metals reserves. Uh, we have cobalt deposits in Idaho in this country. They're very low grade and difficult to process and he felt that what I had demonstrated to him at the laboratories at Hercules would lend itself to, uh, economical, uh, beneficiation at the cobalt deposits in Idaho, and he wanted in on that. He was willing to lend the full weight of his name and his department if he could be in on it. And, uh, we, at that time, we had already

locked up the deal with Dr. Fred Quell (sp?) who was one of the top people in the Office of Naval Research at, out of Boston. And Fred Quell was bringing shock-wave technology into the project. Fred Quell's position with ONR put him in touch with all the latest technology that Naval Research was looking at. He holds special clearances, in fact, he holds some of the highest clearances of a civilian in any area connected with the United States Navy. He's also one of top people, scientists connected with the Fleet Ballistic Missile Command. So Fred was a pretty potent guy. And, uh, Paul Morasca and I were also dealing with Fred Quell and Doug Curry (sp?) and Dick Baker on technology. And we had agreed to bring them in on a consulting basis, uh, one day a week for a year for twenty-five thousand dollars. And with Dick Baker, it would have been four days a week, which would have been an annual fee of a hundred thousand dollars, and with Doug Curry it would have been initially two days a week for the first four months, while he was still head of the Physics Department for the University of Maryland; then he was going to come with us full time, five days a week. And, uh, the technology that Doug Curry was bringing in was the software and signal processing, which was used in the, uh, which he developed and which was later used in the space telescope and in the SHAD, Stellar Horizon Atmospheric Dispersion, which is a system of navigation, which will eventually be the main-stay of our ballistic missiles. Uh, it's much more reliable and much more accurate, you get much better CEP's, Circular Error Probable, with SHAD than can even be approached inertial, uh, guidance systems and the global, connected with updates from the Global Positions Service. And this was very, very, you know, hot technology. Dick Baker had certain patents in power supply technology. His patents were the basis in Exxon's, uh, hundred million dollar venture in the electronics filed, which the Justice Department saw fit to break up. And we specifically had a project where we were negotiating a fixed-price contract using Hercules Research technology, combined with the technology Dick Baker had developed. And it was a forty million dollar contract through 1990, scheduled to begin in March of, delivery of the first ten units for sixty thousand dollars apiece was scheduled in, uh, March of '82, to begin in March of '82, and then there were delivery increments to be met through 1990. And the total price of the contract was approximately forty million dollars. And we had the working models and we were ready to go on it. And Paul was going through the final phases of, you know, typing up the deal when he was killed. Now, the FBI was told this not only by me, but they were told this by representatives of Wackenhut Services. Wackenhut Services is a company which currently has, uh, contracts with the United States Government, dealing with atomic weapons security. So they should have listened. And anytime there is any hanky panky, or suspected hanky panky, such as drug activity around people who are involved in making power supplies that are intended to be used in the latest state-of-the-art isotope separation to make hydrogen bombs, I mean they should have been able to come in and roast people!, I mean, the hell with reading anybody their rights! And they chose to down-play that completely. The only, uh, indication that I got that the FBI was aware and really believed that the technology existed around me was by the man identified to me as Bill Rice, and identified as Supervisor, when he told me that they were absolutely terrified of the technology that I had! And then he was very .

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FBI - 3 specific and he went into laser isotopes and spread spectrum communications, you know, by name. So they knew and they chose not to pursue that. Uh, Philip Thompson convinced my father, this was in late February...

T.G.- What year?

M.R.- '82. And I had left, uh, Hercules in fear of my life at the end of January. So I'd been gone and Philip Thompson was still around and he convinced my father that I had an on-going drug enterprise at Hercules and that the FBI knew about, and they were ready to pounce on it at any time, and that my father should let him go through the plant and see if he could find any of the stuff so he could, you know, destroy the evidence. And Philip Thompson came up with a file cabinet, which I had very well hidden in the plant. You know, there's hundred of acres there. I mean, lots of room to hide things, and Thompson removed that cabinet from Hercules and that had all of our plan projects in it. It had a project that was given to me personally by the Research Director of Decisions and Designs Incorporated, Dr. Charles Wallich (sp?) on the latest technology in nuclear weapons storage security systems.

T.G.- It [the tape] just conked out.

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M.R.- Uh, what I later learned through Dr. Nichols was that Thompson had removed records from Hercules and I confirmed that he had gotten the file cabinet. Uh, I told the FBI what was in it, and so did Dr. Nichols and so did Peter Zokosky. Uh, Peter Zokosky, you know, has top secret clearances for ordinance, and, uh, Peter Zokosky confirmed that the minutes of the meeting that Bob Frye and I and Peter Zokosky had with Colonel Duchesin (sp?) who was head of the Army's Munition Base Modernization Program, uh, were also included in that file, as well as personal correspondence between myself and Dr. Harry Fair on E.M. Launchers. I mean, there was some very sensitive stuff in there that Thompson removed. And, uh, within a week after that file cabinet was removed, Thompson's girlfriend, Elizabeth, took a vacation to, uh, Israel. And she took, uh, most of what was in that file cabinet to Israel and, you know, passed it over there. That was later picked up and relayed to me through two sources: one came through, uh, General Peratt (sp?) in Israeli intelligence and uh, Stan Singer, who was formerly in the Israeli Defense Department, and the other came through the Wackenhut structure. And they had attempted to pass it through the Fourth (sp?) International, people in the Fourth International Movement in Israel. And I told this to the FBI...

T.G.- Who did you talk to in the FBI?

M.R.- Agents Barnes and uh Vollares (sp?) And I volunteered to take a polygraph test. And they said, "oh no, that's not necessary." And I said, "Well, hey, this is pretty sensitive stuff. I'll even waive my rights and, as long as you have a doctor present,

I'll even go under sodium penethol, you know, just to let you know that I'm, uh, on the level. You know, I want to get this resolved." And, "Oh no, we don't work that way. That's not necessary." And then, Bill Rice, he was really anxious to get started on the program with me, and he and I started talking, and Agent Barnes got up and interrupted it and asked Rice to leave the room. He was very upset taht Bill Rice and I were getting on the same wave-length. I mean, he was visibly upset! And, I mean, I can't figure that out at all. And the gutt feeling that I got off of Bill Rice, was that he was a decent guy and wanted to get to the bottom of this. And the feeling that I got from Barnes was there were things he didn't want to investigate. He did not want to investigate Philip Arthur Thompson in any way, shape or form. He did not want to even hear about Paul Morasca. He was interested in Ben Kalka, uh, and he was interested in Sarges (sp?). And when I asked him about Holbert, he said, "Oh, don't worry about Holbert. He's just a nut. You know, we know who he is."

T.G.- Barnes said that?

M.R.- Yeah. He said, "Yeah, he's got alot of credentials, but he's just a nut." You know, he said, "Don't worry about Holbert." Barnes asked me about this Wayne Butler. He said, "How significant is Wayne Butler in Kanazi's (sp?), Richard Kanazi's amphetamine operation?" And, uh, I said I didn't know Wayne Butler personally. And he said, "Oh well, if you don't know him,. he must just be a peon." Okay? And we just, you know, passed over that. And then I explained to Barnes that after Paul was dead, that I had learned from Jim de Silva that Paul had corralled all the companies raw material assets and that he had used Jim de Silva to go and pick it up. And Jim de Silva didn't realize the type of move that, you know, that Paul was making. The reason why Paul was in that position was that Ben Kalka was a fugitive from justice and he had been hiding out in Colorado. Anyway, uh, the raw materials were sitting there. Jim de Silva was willing to turn them over and, uh, we, Jim de Silva and I had hatched up the story which Jim passed on to everybody, which I passed on to everybody-- was that I moved in and grabbed the raw materials, when in fact, there was just too many of them to grab; there were twelve hundred, fifty-five-gallon-drums of mono-methylamine (sp?) and close to half a million pounds of phenyl acetic acid, as well as all the other material necessary to, uh, you know, to make amphetamines. And the FBI said, "Will you get a hold of de Silva and call us Monday?" And I got a hold of de Silva late Monday afternoon and Joe Morasca had already been to him and, uh, made him a rather violent offer and Jim told them where it was and they just went and picked it up. And it was gone. And that's when I started getting cold feet with Barnes. And I immediately told Don Wager (sp?), you know, what the situation was. So Don Wager said, "Well, we're not going up to San Francisco to meet with them. Let's, I'll talk to Trot (sp?) or MacIntyre and we can get a room at the Federal Building or, uh, I'll talk to somebody at the FBI and we'll get a room there. So he set up a meeting in Los Angeles, uh, for myself to meet with Barnes and Vollares, and they agreed to come to the meeting. And on the day of the meeting, they called fifteen minutes before the appointed time, and they said that they were declin_ing to show up at that meeting and that they expected to see us up in San Francisco.

And it was at that time, that I, uh, broke off, uh, attempting to work with those guys at all. Uh, Jim de Silva's wife was pregnant and was beaten to the point of nearly having a miscarriage in front of Jim, and he told them where the stuff was. Now, for over six weeks, everybody had stayed away from Jim, because they believed the story that I had grabbed the stuff and run. And, I just find it more than highly suggestive that as soon as I told Barnes and Vollares what the truth was, that something happened to de Silva. I just think that was more than a coincidence. And, uh, I have polyographed to that and I would polygraph again, you know, to the details of that part of the story. And, uh, it just scared the hell out of me -- absolutely scared the hell out me! This represents a block of power on the drug scene. The only problem is that those, uh, materials are, you know, are not, they've been, uh, worked on. Both the MMA and the phenyl acetic acid, uh, have markers in them. I don't want to go into the details of what they are. I have samples. I have two one-gallon jugs of the, uh, mono, uh, methylamine. There's two differently coded portions out of all of that: one from Air Products and one from, uh, IMC Corporation. And the phenyl acetic acid is just one batch. That all came from an English company. And, uh, well it came from an English company through a shipping company in Los Angeles, uh, and was originally ordered by Zero Waste Systems out of Berkeley. The thing is, if you go to make amphetamines, you'll get less than, uh, an acceptable product. And, you know, that's really caused them alot of problems. And it's only a matter of time and money, uh, and getting the right chemist to find out what the problem is with the materials and remove the, you know, the indicators and the other, you know, trace, uh, you know, materials that we had mixed with. Uh, and the materials that were added to the MMA, that was then at the point of production, when it was put in the fifty-five-gallon drums. Uh, the phenyl acetic acid, I convinced Ben Kalka that, uh, with a spectrum analyzer unit that I had, that I was getting a weak signal and, uh that there might be a bug in it. And Ben Kalka arranged to set up a screen operation and he actually had all that phenyl acetic acid screened, and, uh, he was there, personally supervising it. And if you know anything about phenyl acetic acid, it's really, it's a powder material, but it has an odor and the fumes burn your skin. I mean, he had burns, you know, all over his body from that. But just to make sure that there was no bugging device or tracking device in any of those drums, plus Paul Palmer at Zero Waste wanted the fiber drums back, and uh, he, uh, you know, so Kalka screened the stuff from part and parcel to that. And in the screening apparatus, uh, there was a bleed system, which bled a micro-tagynt(sp?), uh material into the, uh, you know, a heavy metal type, uh micro-tagynt into the phenyl acetic acid, and uh, so the pile of material was really useless to the company now, unless they are able to unravel what I did to it. And it's a very frightening thought that if they do manage to do that, I mean that's billions of dollars, I mean literally billions of dollars of drugs. And one of the problems I had with Don Wager when, you know, I was trying to explain this to him, and with him ultimately explaining it to Steven Trot and General MacIntyre, was they were under the impression that there was no, uh, widespread market for amphetamines. I mean, that was the impression that I got from them.

T.G.- Wager was your attorney?

M.R.- Wager was my personal attorney.

T.G.- In L.A.?

M.R.- And they really thought there was no, uh, wide-spread market for that

T.G.- Why were you dealing through Wager?

M.R.- Uh, I was, uh, to have Harlen Braun (sp?) as an attorney. And, uh, after Paul's death, Ben Kalka was in contact with me and he was frantic. He didn't know what had happened. And he didn't know that I knew that he had me written up, and he wanted help. And I said, "Hey, Ben, the only way I can help you is if you'll testify against Holbert, and come out to the desert and talk with me." Uh, I was delayed in coming to the desert and so Ben Kalka went to see, you know, Dr. Nichols on his own. And I was in the process of gathering up some things that we were going to put into a vehicle that belonged to Holbert. We were gonna set Ben up to get grabbed by the, uh, San Bernadino narcotics, uh, people with stuff in Holbert's name, and we were gonna put him in a position where he had no choice but to talk about Holbert. You know, it was dirty, but it was nothing, you know, compared to Kalka wanting to have me killed. And, uh, Philip Arthur Thompson learned where Kalka was, called him, and talked him into meeting in, uh, downtown L.A., right outside of Harlen Braun's office. Now, we had told Kalka that we would set him up with Harlen Braun to represent him if, uh, he was willing to testify against Al Holbert and Al Holbert's involvement in the drug scene and in, uh, espionage matters. And Kalka said that he would do it if he could be provided with protection, and he wanted protection for his father and mother. And we said that could be arranged. Let's, you know, start talking. And Thompson weasled his way in there and he told the FBI and the DEA, you know, where, uh, Kalka would be and, you know, they came and arrested Kalka. So then Harlen Braun represented Kalka initially, and then, uh, he, uh, withdrew from, you know, representing Kalka. And then I was going to get Harlen Braun as an attorney, because I was in a position, you know, to turn those drug raw materials over, and, uh, I wanted to use those as a bargaining chip to make sure that the authorities hunted to the ends of the earth until they got everybody involved in Paul's death. This was after I retained Braun, and said, "You can't do that," you know, to Braun. He really got pushy. "You represented me and Mike is, you know, going to be at odds with me and that's a conflict of interest. So Harlen Braun referred me to Don Wager, you know, to uh, take the matter. Don Wager was not connected with the organization, but they checked him out and said that he would be acceptable, you know, for this. And they advised me not to over-communicate with him, you know, about matters not directly related to the case. And uh, so that's how I got started with Wager, and Wager had lots of juice. The only problem, you know, is I think Wager over-simplified the situation and he said, "Well, if you're with the Wackenut structure and you're working with them, they can just pull strings and have it taken care of." Well, it wasn't quite that simple and Wager didn't realize the pull in the Justice Department to get me out of the

way. And the thing is, that group has always been, uh, since the uh, late sixties, have always pushed to try to actively get me to participate in it, and they've caused me a lot of problems in the past, legal problems in the past, uh, you know, to try and push me in their direction, and I've, uh, resisted. And uh, Kalka even made the offer that I could have all the funding I needed for my research work, uh through a Michael Nay(sp?). Uh, Michael Nay is one of the top three guys in the Lawrence Livermore Laboratory structure, management structure. Uh, and I'm just inferring that he's involved with Holbert because of the way Kalka used his name. And, uh, if that's so, you know, that's another real problem area. Uh, Al was strictly a money man. Paul did all sorts of overseas transfers and he represented a certain trust position in this country, and for a young man, he was really well placed in the international scene. And he was also very naive about things. And the way he got involved with Ben Kalka, uh, was through his brother, Joe, and he thought that he was just handling some funds on his brother's behalf on some marijuana. He had no idea, uh, you know, what was involved. And Ben Kalka lost four hundred thousand dollars plus to a, uh, prostitute in Las Vegas over financing a whorehouse situation and rather than admit the loss of the cash, he tried to make it look like a shortfall from Joe's, and Paul was handling certain monies, you know, for that group, and Ben Kalka wasn't available on a regular basis, because he was a fugitive. Joe was getting the short end of the stick, so Paul moved in on the situation and he said, "I'll clean it up, but I want Joe out of it." And Paul was in that position for, I would say, five or six months. And I told Paul and I told Dr. Nichols that we needed this like we need a hole in the head! Why can't we find some other operative or somebody to, you know, stick in there, so Paul can be clear of this, because, you know, that's just too close to me! And, you know, he said, "We'll do it this way, and everyone will be rounded up as soon as we have the information that we need on, you know, Holbert's relationship, uh, with, uh, the rest of the company." So I said, "Okay. All these activities I want, uh, only with one answering service. That's the only thing that goes on there--none of our other activities on that. And I want, you know, a log kept on that." And when I was interviewed by the San Francisco homicide detectives, I turned that information over to them directly. You know, I explained the situation to them and I said, "Here it is." And that was the most substantive lead -- you know, because they had all the names, all the telephone numbers that Joe Morasca had been dealing with and that Ben Kalka had been dealing with. I mean, their whole structure --something that the narcotics people had been trying to get for fifteen years. And Paul and I, we have a written agreement with the Wackenhet structure to this effect. WE were in the process of turning over all of these people. I mean, we were in the process of destroying the company, you know, through the Wackenhet structure.

T.G.- What happened to that agreement?

M.R.- I still have a copy of it.

T.G.- And are you still working with John?

M.R.- Absolutely!

T.G.- Through Frye?

M.R.- Through Frye. Absolutely! Uh, Frye's focus is on Jimmy Chadra (sp?) for some reason. And, you know, even though the main guy is Al Holbert. But, uh, uh, the...I lost my train of thought here. The situation with the company is, they have not let me alone, and I had no idea that Holbert...

U.P.- You said you had turned everything over to San Francisco homicide.

M.R.- Yeah. That was on the list of names and contacts.

U.P.- And you said that Frye [unintelligible] Jimmy Chadra, instead of Al Holbert.

M.R.- Uh, the San Francisco homicide people, they never really pursued the information I gave them. Uh, Ben Kalka, today, has a motorcycle shop in the Bay Area. Uh, he's doing a land office business in, you know, narcotics. John Yenshy, his main man, they're not even investigating Yenshy for anything. Uh, and most of the other people that were included in that list are virtually unmolested.

T.G.- How about Holbert? Should we talk about Holbert?

M.R.- Yeah. Holbert, uh...

T.G.- You can start at the beginning with Holbert. Remember, we started that last night.

M.R.- Yeah, I met Holbert, uh, in the Portola Valley, in the, uh, in late 1965/early 1966. And I met him at the... Uh, Al C. Holbert

T.G.- Albert C. Holbert?

M.R.- Yeah. Uh, I met him at the home of Michael and Babette Wills in late '65/early '66. Uh, I was introduced to the Wills by Charlotte Davis, who was an old family friend of ours; she'd known me ever since I was a baby. And Michael and Babette Wills were very interesting people. They introduced me to, uh, Holbert. Michael Wills was a former State Department employee, uh, he was assigned or his area of specialty was the Far East.

U.P.- Wills?

M.R.- Michael Wills. W-I-L-L-S. And when I went to dinner there, the first time I met those people, Al Holbert was there. And, uh, he was very interested in the type of work I was doing. Very interested in the fact that a high school student could be so involved with TymeShare. Tyme Share was the first computer time sharing company in operation in the United States. Uh, and he was very fascinated by the fact that a teenager could build lasers. And we became very friendly. And I wasn't working with anything classified, at that time, and I spoke openly to him. And I was proud of the work that I was doing at Stanford for Dr. Schalow. And Holbert seemed to be a very knowledgeable and interesting guy. And I met him several other times at the Wills' and he invited me to, uh, I can't remember the name of the town, it was, you know

specific and he went into laser isotopes and spread spectrum communications, you know, by name. So they knew and they chose not to pursue that. Uh, Philip Thompson convinced my father, this was in late February...

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T.G.- Barnes said that?

M.R.- Yeah. He said, "Yeah, he's got alot of credentials, but he's just a nut." You know, he said, "Don't worry about Holbert." Barnes asked me about this Wayne Butler. He said, "How significant is Wayne Butler in Kanazi's (sp?), Richard Kanazi's amphetamine operation?" And, uh, I said I didn't know Wayne Butler personally. And he said, "Oh well, if you don't know him,, he must just be a peon." Okay? And we just, you know, passed over that. And then I explained to Barnes that after Paul was dead, that I had learned from Jim de Silva that Paul had corralled all the companies raw material assets and that he had used Jim de Silva to go and pick it up. And Jim de Silva didn't realize the type of move that, you know, that Paul was making. The reason why Paul was in that position was that Ben Kalka was a fugitive from justice and he had been hiding out in Colorado. Anyway, uh, the raw materials were sitting there. Jim de Silva was willing to turn them over and, uh, we, Jim de Silva and I had hatched up the story which Jim passed on to everybody, which I passed on to everybody-- was that I moved in and grabbed the raw materials, when in fact, there was just too many of them to grab; there were twelve hundred, fifty-five-gallon-drums of mono-methylamine (sp?) and close to half a million pounds of phenyl acetic acid, as well as all the other material necessary to, uh, you know, to make amphetamines. And the FBI said, "Will you get a hold of de Silva and call us Monday?" And I got a hold of de Silva late Monday afternoon and Joe Morasca had already been to him and, uh, made him a rather violent offer and Jim told them where it was and they just went and picked it up. And it was gone. And that's when I started getting cold feet with Barnes. And I immediately told Don Wager (sp?), you know, what the situation was. So Don Wager said, "Well, we're not going up to San Francisco to meet with them. Let's, I'll talk to Trot (sp?) or MacIntyre and we can get a room at the Federal Building or, uh, I'll talk to somebody at the FBI and we'll get a room there. So he set up a meeting in Los Angeles, uh, for myself to meet with Barnes and Vollares, and they agreed to come to the meeting. And on the day of the meeting, they called fifteen minutes before the appointed time, and they said that they were declin_{ing} to show up at that meeting and that they expected to see us up in San Francisco.

And it was at that time, that I, uh, broke off, uh, attempting to work with those guys at all. Uh, Jim de Silva's wife was pregnant and was beaten to the point of nearly having a miscarriage in front of Jim, and he told them where the stuff was. Now, for over six weeks, everybody had stayed away from Jim, because they believed the story that I had grabbed the stuff and run. And, I just find it more than highly suggestive that as soon as I told Barnes and Vollares what the truth was, that something happened to de Silva. I just think that was more than a coincidence. And, uh, I have polyographed to that and I would polygraph again, you know, to the details of that part of the story. And, uh, it just scared the hell out of me -- absolutely scared the hell out me! This represents a block of power on the drug scene. The only problem is that those, uh, materials are, you know, are not, they've been, uh, worked on. Both the MMA and the phenyl acetic acid, uh, have markers in them. I don't want to go into the details of what they are. I have samples. I have two one-gallon jugs of the, uh, mono, uh, methylamine. There's two differently coded portions out of all of that: one from Air Products and one from, uh, IMC Corporation. And the phenyl acetic acid is just one batch. That all came from an English company. And, uh, well it came from an English company through a shipping company in Los Angeles, uh, and was originally ordered by Zero Waste Systems out of Berkeley. The thing is, if you go to make amphetamines, you'll get less than, uh, an acceptable product. And, you know, that's really caused them alot of problems. And it's only a matter of time and money, uh, and getting the right chemist to find out what the problem is with the materials and remove the, you know, the indicators and the other, you know, trace, uh, you know, materials that we had mixed with. Uh, and the materials that were added to the MMA, that was then at the point of production, when it was put in the fifty-five-gallon drums. Uh, the phenyl acetic acid, I convinced Ben Kalka that, uh, with a spectrum analyzer unit that I had, that I was getting a weak signal and, uh that there might be a bug in it. And Ben Kalka arranged to set up a screen operation and he actually had all that phenyl acetic acid screened, and, uh, he was there, personally supervising it. And if you know anything about phenyl acetic acid, it's really, it's a powder material, but it has an odor and the fumes burn your skin. I mean, he had burns, you know, all over his body from that. But just to make sure that there was no bugging device or tracking device in any of those drums, plus Paul Palmer at Zero Waste wanted the fiber drums back, and uh, he, uh, you know, so Kalka screened the stuff from part and parcel to that. And in the screening apparatus, uh, there was a bleed system, which bled a micro-tagynt(sp?), uh material into the, uh, you know, a heavy metal type, uh micro-tagynt into the phenyl acetic acid, and uh, so the pile of material was really useless to the company now, unless they are able to unravel what I did to it.. And it's a very frightening thought that if they do manage to do that, I mean that's billions of dollars, I mean literally billions of dollars of drugs. And one of the problems I had with Don Wager when, you know, I was trying to explain this to him, and with him ultimately explaining it to Steven Trot and General MacIntyre, was they were under the impression that there was no, uh, wide-spread market for amphetamines. I mean, that was the impression that I got from them.

T.G.- Wager was your attorney?

M.R.- Wager was my personal attorney.

T.G.- In L.A.?

M.R.- And they really thought there was no, uh, wide-spread market for that

T.G.- Why were you dealing through Wager?

M.R.- Uh, I was, uh, to have Harlen Braun (sp?) as an attorney. And, uh, after Paul's death, Ben Kalka was in contact with me and he was frantic. He didn't know what had happened. And he didn't know that I knew that he had me written up, and he wanted help. And I said, "Hey, Ben, the only way I can help you is if you'll testify against Holbert, and come out to the desert and talk with me." Uh, I was delayed in coming to the desert and so Ben Kalka went to see, you know, Dr. Nichols on his own. And I was in the process of gathering up some things that we were going to put into a vehicle that belonged to Holbert. We were gonna set Ben up to get grabbed by the, uh, San Bernadino narcotics, uh, people with stuff in Holbert's name, and we were gonna put him in a position where he had no choice but to talk about Holbert. You know, it was dirty, but it was nothing, you know, compared to Kalka wanting to have me killed. And, uh, Philip Arthur Thompson learned where Kalka was, called him, and talked him into meeting in, uh, downtown L.A., right outside of Harlen Braun's office. Now, we had told Kalka that we would set him up with Harlen Braun to represent him if, uh, he was willing to testify against Al Holbert and Al Holbert's involvement in the drug scene and in, uh, espionage matters. And Kalka said that he would do it if he could be provided with protection, and he wanted protection for his father and mother. And we said that could be arranged. Let's, you know, start talking. And Thompson weasled his way in there and he told the FBI and the DEA, you know, where, uh, Kalka would be and, you know, they came and arrested Kalka. So then Harlen Braun represented Kalka initially, and then, uh, he, uh, withdrew from, you know, representing Kalka. And then I was going to get Harlen Braun as an attorney, because I was in a position, you know, to turn those drug raw materials over, and, uh, I wanted to use those as a bargaining chip to make sure that the authorities hunted to the ends of the earth until they got everybody involved in Paul's death. This was after I retained Braun, and said, "You can't do that," you know, to Braun. He really got pushy. "You represented me and Mike is, you know, going to be at odds with me and that's a conflict of interest. So Harlen Braun referred me to Don Wager, you know, to uh, take the matter. Don Wager was not connected with the organization, but they checked him out and said that he would be acceptable, you know, for this. And they advised me not to over-communicate with him, you know, about matters not directly related to the case. And uh, so that's how I got started with Wager, and Wager had lots of juice. The only problem, you know, is I think Wager over-simplified the situation and he said, "Well, if you're with the Wackenhut structure and you're working with them, they can just pull strings and have it taken care of." Well, it wasn't quite that simple and Wager didn't realize the pull in the Justice Department to get me out of the

way. And the thing is, that group has always been, uh, since the uh, late sixties, have always pushed to try to actively get me to participate in it, and they've caused me a lot of problems in the past, legal problems in the past, uh, you know, to try and push me in their direction, and I've, uh, resisted. And uh, Kalka even made the offer that I could have all the funding I needed for my research work, uh through a Michael Nay(sp?). Uh, Michael Nay is one of the top three guys in the Lawrence Livermore Laboratory structure, management structure. Uh, and I'm just inferring that he's involved with Holbert because of the way Kalka used his name. And, uh, if that's so, you know, that's another real problem area. Uh, Al was strictly a money man. Paul did all sorts of overseas transfers and he represented a certain trust position in this country, and for a young man, he was really well placed in the international scene. And he was also very naive about things. And the way he got involved with Ben Kalka, uh, was through his brother, Joe, and he thought that he was just handling some funds on his brother's behalf on some marijuana. He had no idea, uh, you know, what was involved. And Ben Kalka lost four hundred thousand dollars plus to a, uh, prostitute in Las Vegas over financing a whorehouse situation and rather than admit the loss of the cash, he tried to make it look like a shortfall from Joe's, and Paul was handling certain monies, you know, for that group, and Ben Kalka wasn't available on a regular basis, because he was a fugitive. Joe was getting the short end of the stick, so Paul moved in on the situation and he said, "I'll clean it up, but I want Joe out of it." And Paul was in that position for, I would say, five or six months. And I told Paul and I told Dr. Nichols that we needed this like we need a hole in the head! Why can't we find some other operative or somebody to, you know, stick in there, so Paul can be clear of this, because, you know, that's just too close to me! And, you know, he said, "We'll do it this way, and everyone will be rounded up as soon as we have the information that we need on, you know, Holbert's relationship, uh, with, uh, the rest of the company." So I said, "Okay. All these activities I want, uh, only with one answering service. That's the only thing that goes on there --none of our other activities on that. And I want, you know, a log kept on that." And when I was interviewed by the San Francisco homicide detectives, I turned that information over to them directly. You know, I explained the situation to them and I said, "Here it is." And that was the most substantive lead -- you know, because they had all the names, all the telephone numbers that Joe Morasca had been dealing with and that Ben Kalka had been dealing with. I mean, their whole structure --something that the narcotics people had been trying to get for fifteen years. And Paul and I, we have a written agreement with the Wackenhet structure to this effect. WE were in the process of turning over all of these people. I mean, we were in the process of destroying the company, you know, through the Wackenhet structure.

T.G.- What happened to that agreement?

M.R.- I still have a copy of it.

T.G.- And are you still working with John?

M.R.- Absolutely!

T.G.- Through Frye?

M.R.- Through Frye. Absolutely! Uh, Frye's focus is on Jimmy Chadra (sp?) for some reason. And, you know, even though the main guy is Al Holbert. But, uh, uh, the...I lost my train of thought here. The situation with the company is, they have not let me alone, and I had no idea that Holbert...

U.P.- You said you had turned everything over to San Francisco homicide.

M.R.- Yeah. That was on the list of names and contacts.

U.P.- And you said that Frye [unintelligible] Jimmy Chadra, instead of Al Holbert.

M.R.- Uh, the San Francisco homicide people, they never really pursued the information I gave them. Uh, Ben Kalka, today, has a motorcycle shop in the Bay Area. Uh, he's doing a land office business in, you know, narcotics. John Yenshy, his main man, they're not even investigating Yenshy for anything. Uh, and most of the other people that were included in that list are virtually unmolested.

T.G.- How about Holbert? Should we talk about Holbert?

M.R.- Yeah. Holbert, uh...

T.G.- You can start at the beginning with Holbert. Remember, we started that last night.

M.R.- Yeah, I met Holbert, uh, in the Portola Valley, in the, uh, in late 1965/early 1966. And I met him at the... Uh, Al C. Holbert

T.G.- Albert C. Holbert?

M.R.- Yeah. Uh, I met him at the home of Michael and Babette Wills in late '65/early '66. Uh, I was introduced to the Wills by Charlotte Davis, who was an old family friend of ours; she'd known me ever since I was a baby. And Michael and Babette Wills were very interesting people. They introduced me to, uh, Holbert. Michael Wills was a former State Department employee, uh, he was assigned or his area of specialty was the Far East.

U.P.- Wills?

M.R.- Michael Wills. W-I-L-L-S. And when I went to dinner there, the first time I met those people, Al Holbert was there. And, uh, he was very interested in the type of work I was doing. Very interested in the fact that a high school student could be so involved with TymeShare. Tyme Share was the first computer time sharing company in operation in the United States. Uh, and he was very fascinated by the fact that a teenager could build lasers. And we became very friendly. And I wasn't working with anything classified, at that time, and I spoke openly to him. And I was proud of the work that I was doing at Stanford for Dr. Schalow. And Holbert seemed to be a very knowledgeable and interesting guy. And I met him several other times at the Wills' and he invited me to, uh, I can't remember the name of the town, it was, you know

down toward Santa Cruz, to come down to his place, you know, down there. And I'd been down to his place twice maybe. And then one day he told me that he was involved in intelligence activities and he represented the Israeli Government in this country, and they needed help in getting the latest in communications equipment and electro-optical.

T.G.- How did he say he represented the Israeli Government?

M.R.- He said that he was an intelligence officer for the Israeli Government, and showed me all sorts of credentials, and you know I was, you know, I didn't know one credential from another. And I told Chuck Emerett about the situation [Note: Although M.R. spelled this name E-M-M-E-T, he continually pronounces it as "Emerett"], and this was in, you know, 1966. Chuck was so upset uh, by the Wills' and by Holbert that he called the FBI!

T.G.- Why did Holbert take you into his confidence?

M.R.- That, I don't know. He wanted my help. He wanted to know about fiber optics and he knew that I knew the man who was considered the top guy in fiber optics. That was Dr. Nerinder Escopani (sp?) Uh, he owned Optics Technology in Belgium, in India and in Palo Alto -- that's where he had his operations. And at that time, they were the only producer of fiber optics for the U.S. Government. Yeah, I mean that's when it was an emerging, uh, technology. And Holbert was amazed, you know, by what I was able to tell him about fiber optics. And here again, none of this was, uh, classified stuff. And, uh, you know, just one thing, uh, you know, led to another. I was quite excited, you know, by just being able to help, uh, you know, the Israeli Government. I was, uh, you know, I was very pro, uh, Israeli.

T.G.- You're not Israeli yourself.

M.R.- No, or, uh, Jewish, but, you know, I was caught up in the intrigue of it and plus I was able to confide in Holbert about the situation that I saw around Leary, and that I was suspicious about certain things goin on. And I explained to him that I had been giving information to, uh, the authorities, regarding those suspicions.

T.G.- You talked to Holbert about it?

M.R.- Oh, yeah.

T.G.- That you were giving information to the...

M.R.- Oh, yeah! And listen, I didn't realize until, uh, August that, no, it was July of 1981, I didn't realize that Holbert was anything other than what he said he was. And I didn't realize that he had any connection with Ben Kalka until that time. I mean, up unitl that time, I thought all of my problems were generated by and through, uh, BenKalka, and here I had been confiding in Holbert all this time.

T.G.- You're talking about the period from '66 to '81?

M.R.- Oh, yeah. I mean, I got close to Holbert!

T.G.- You're talking about fifteen years.

M.R.- Yeah! Yeah! I mean, I had no idea. I really confided in this, uh...

T.G.- And he confided in you in return?

M.R.- Oh, yeah. Well, so it seemed. And we really talked about a lot of, uh, a lot of, you know, sensitive stuff politically, you know, from his country, and I was constantly steering him to, you know, various people in the Silicon Valley, you know, for requests that he made, which were very, uh, sophisticated, uh, you know, technical requests.

T.G.- Holbert had a technical mind for that sort of thing?

M.R.- Absolutely! Absolutely! Uh, in the firm grasp of physics, mathematics, uh, chemistry, uh, military hardware.

T.G.- Is he an American?

M.R.- No, he's Israeli. He is, you know, an Israeli.

T.G.- Is Holbert now in San Francisco?

M.R.- Either there or in Mexico.

T.G.- Either in San Francisco or Mexico.

M.R. Or Mexico. I had a meeting with him, uh, recently. That was immediately after we had the meeting with, uh, Fresno homicide people, and Holbert was in a state of panic, even though he was trying his best to hide it. Uh, it was after Paul's death that Holbert admitted to me that he was a Soviet backed agent and they had a home, or he had a home for me, and that I could be treated like royalty and he reiterated that offer in the latest, you know, meeting, and he said, uh, he was prepared to deliver some five hundred thousand dollars cash to me as just a show of good faith.

T.G.- Let's go back to, uh, '66 to '81, you were close to him.

M.R.- Not on a regular basis. Uh, he would get in contact with me when he, uh, needed consultation in certain areas, and I, uh, I made some good money. I designed, uh, communications equipment for them. Uh, I did a lot of software development...

T.G.- And then he gave it to the Israelis?

M.R.- Yes.

T.G.- And he admitted this?

M.R.- Oh yeah, none of it was really classified. Uh, uh, I did stuff that, uh, you know, uh, software for the analysis of radar change data and it was based on mathematical models that the Department of Defense wasn't using -- you know, my approach was new and different, uh, from theirs and, uh, wasn't connected with any of

their projects, so, you know, it technically wasn't classified.

T.G.- Yeah, but you said in '81 something happened. What did he tell you, when you realized...

M.R.- Well, in '81, uh, I knew I had problems. I had a lot of surveillance and it wasn't law enforcement.

T.G.- On you?

M.R.- Yeah. We had this project going at Hercules, which we called Special Project, and it was a direct energy related, uh, weapons related project, based around Interprobe technology and technology that, uh, we had developed at Hercules Research. Uh, my father let the word out as to what we were doing, uh, to certain people who I learned, later on, had relayed that information to uh, people that were leftist oriented -- it was Natalie Wood, Jose Trancos and Patrick Tierney.

T.G.- Natalie Wood, the actress?

M.R.- No, not Natalie Wood, Natlie Mormon(?) Natalie Mormon, a big heavy-set, uh nigger woman. Uh, she knows, uh, Willy Brown real well. You know, she's connected with all these various activist groups. Uh, I never really did like her and I wouldn't discuss anything with her. But, you know, my father did show them through the lab and uh, Patrick Tierney (no relationship to anybody you know) and Jose Trancos were actually living in one of the houses at Hercules for about six months and working for my father. And all that time, you know, they were reporting on what was going on. I later found this out through the Wackenhut structure.

U.P.- They were Soviets?

M.R.- No, the only indication that I got was, one day I got a call from uh, somebody that I had gone to school with at the Woodside Priory who was in the Chilean, uh, Secret Police and he was in an absolute state of panic as to why Jose Trancos and Patrick Tierney would be writing me cards and letters.

U.P.- With Chilean Intelligence?

M.R.- Uh, Secret Police. I don't know the fine details, you know, of the good law down there. But this guy knew of my abilities. You know, I mean, I was making lasers, high powered lasers, when I was in high school! Uh, and, you know, I mean, that attracts a little bit of attention. Uh...

T.G.- What happened in '81 that changed your...

M.R.- Well, in '81, I was, you know, I had remained very close to Chuck Emerett, uh, you know, all through the years. And I had developed some technology which had strategic significance and I was, uh, horrified as to where to go! My father didn't understand it. Uh, Pat Moriarty understood it, but he really didn't have the wherewithal to handle it right. And so I had Chuck attempt to make a deal for me with Raytheon (sp?) Uh,

Raytheon, you know, wasn't interested. Wackenhet at that particular time, uh, you know, wasn't interested in it. And then Chuck, uh, put me in touch with some Agency, uh, people, uh, and they, in turn, I guess went back to Wackenhet, and then all of a sudden, Nichols appeared, you know, in my life. Uh, and Nichols wanted to get next to me. And he was in a state of shock, when he discovered that I had the technology that I had related to high-power lasers. Uh, I, uh, had got actually working, uh, a six hundred megawatt, transversally excited, uh, chemical gaseous dynamic, uh, laser. I mean, that's a battle, that's a battle star gallactica, uh, you know, piece of hardware.

T.G.- But in '81, you mentioned Holbert, I'm talking about...

M.R.- Uh, I was, uh, scared because of this technology, you know, I had, and I had, you know, problems in my background, because of relationships I had with people in the drug scene and, you know, problems related to that. And I went into an agreement with Nichols to get this cleaned up, and that, in going over, step by step, every one of my contacts and associations, we came up with the fact that Holbert was a potential problem.

T.G.- As far as Soviets?

M.R.- As far as Soviets go.

T.G.- How did you deduct that?

M.R.- Uh, Nichols had a lot of information on people.

T.G.- Was Nichols with the Agency then?

M.R.- He still is, very, very high -- he never will be away from them.

T.G.- Well, did Nichols feed this information to you?

M.R.- Uh, not at first, but by the line of questioning and by the fact that I wound up at a hospital, uh, somewhere in Kansas, uh, and I was put under drugs, for, you know, for interrogation, uh, I knew, you know, that, hey, there's something, uh, something going on here. And, uh, then it was after that they told me, uh, that Al Holbert was dirty and that they had to get him...

T.G.- Who told you that?

M.R.- Nichols did.

T.G.- That he was dirty? In regard to...

M.R.- That he was real heavy. in the, uh, in the apparatus.

T.G.- Did he say he was a Soviet agent?

M.R.- Oh, he said, "No question about it!"

T.G.- Well, how could he be a Soviet agent and an Israeli agent?

M.R.- Uh, your guess is as good as mine. I talked to Major, I talked

General Peratt on that subject last May and he said, "You don't understand the ways of the world." was what he told me. About Al Holbert, I said, "That man has done more damage to my generation and my country, and you know, I mean, how can you people, uh you know, say that you're friends of the United States, when you send us a guy like that?" You know, Holbert came to the United States with the highest recommendations from the Israeli Government and he went to work for the Treasury Department out of Philadelphia and...

T.G.- In what way? As an agent? I mean...

M.R.- I don't know what the relationship was and the Treasury Department wouldn't, uh, wouldn't tell me. They wouldn't comment at all, except for the fact that they acknowledged that, yes, he was, uh, involved at very high levels, giving special training. Uh, Holbert taught courses in interrogation techniques. He taught touch-kill, you know, uh, touch-kill techniques, you know with the thumbs on the temples, and you know, various scare areas like that. And, uh, he moved around to a lot of different agencies: uh, he got involved with FBI, uh, and he'd been involved with the drug enforcement people.

T.G.- Do you say he was, in analyzing the situation, he indicated to you for fifteen years, he was with the Israelis.

M.R.- Israelis. Yeah.

T.G.- Yeah, okay. And then you realized through checking around and through Dr. Nichols...

M.R.- Well, primarily through Nichols.

T.G.- About his being a Soviet?

M.R.- Yeah, uh John Amerol (sp?) I think was the one and I think, I'm not sure if Lotly (sp?) was involved in that, but, you know, they had the big guns at Wackenhut. Something put up a red flag on Holbert to where they zeroed in on him.

T.G.- Had he been telling you that he was with the Israelis for fifteen years, when actually he was with the Soviets?

M.R.- No, well, he was with the Soviets, but he was also with the Israelis. Listen, I wound up with an offer I couldn't refuse in, uh, in, uh Israel last summer, before, uh, before the start of the hostility. And that was all through Holbert.

T.G.- Last summer?

M.R.- Well, you know, uh, uh, towards the end of April

T.G.- Of '82.

M.R.- Yeah, of '82, and I didn't get out of there until the summer, and, uh, that's was all through Holbert. Holbert definitely is connected with, uh, Israeli intelligence. I mean, there are no if, ands, buts, or maybes.

T.G.- Are the Israelis aware of his involvement with the Soviets?

M.R.- Well, part of the deal that I made with them, uh, last summer was that I wanted his nuts cut off. And, uh, another man, uh, who I don't want to name, was the assistant Secretary of Defense of Israel for a number of years and was in charge of defense production for the Israeli Government. That's the man you met, and he freely admitted or told you what his position was and what his relationship with Ariel Sharon was, and it was through this man that I , uh, personally met Sharon. And Holbert definitely is one of their boys. One of their boys and they know, uh, I got an admission out of General Peratt that, uh, Holbert was funny(?) and that he's a Trotski-ite and, uh, that they knew about it, and I couldn't understand, you know, why you keep a guy like this around. Uh, and I was just told that I didn't understand the ways of the world.

T.G.- Is Holbert involved in the satanic cults?

M.R.- Uh, I would say, I could safely say that Holbert engineered the whole thing.

T.G.- What whole thing?

M.R.- I [laughter], I, uh, don't even know how to broach the subject, but, uh, Holbert, in conversation to me, uh, admitted that, uh, that he was involved with Leary and he admitted to me that he was involved with a man named Kenneth Anger (sp?), who had this Himalayan Academy, and he admitted to me that he was involved with the Glide (sp?) Memorial Church, you know, that he was trying to do various operations through there. And, uh, that he was, that he had started grass roots operations in the Peace Movement. I mean he, he, you know, we had freely discussed this. And he told me that our country was gone!

T.G.- Did he say he was involved in drugs?

M.R.- Oh, absolutely! And the authorities know this! They know his involvement with, uh, drugs.

T.G.- Now tell me about his involvement in the, uh, satanic cults.

M.R.- Well, the, uh, satanic cults, uh, he, uh, originally got into that with a man named Kenneth Anger in San Francisco, who had the Himalayan, what was called the Himalayan Academy.

T.G.- What year was this?

M.R.- This was in, uh, 1967 that I saw Kenneth Anger. I did not know the connection between Anger and Holbert. They were making movies, uh, ritualistic type, uh, movies, and they asked to use the Straight Theatre facilities several times and they didn't have much money, and after the first time they used the place and didn't pay us in full, we didn't let them, uh, come back. But, uh, Holbert, uh, you know, indicated to me, that, uh sexual aberations was a key to getting to a person, and doing it under the guise of acting out fantasies of the satanic sect was a wonderful way of breaking people and determining, uh, what their limits were, you know, uh,

uh, you know, uh, uh, morally and he, he thought it was a great ploy. He used to see a lot of humor in duping, uh, people.

T.G.- As the satanic cult?

M.R.- As just, as just a mechanism. Do you have that sheet of paper on those names that were given to me to introduce Ted to? About Dr. Tweedy, and, uh...

U.P.- Yes. The yellow piece of paper here.

M.R.- Nichols and Frye, uh, I've been given an entree to some people. One of them is a, was referred to me as a Christian psychologist. Uh, you know, this is on that insurance investigation. Uh, I was told that we could go to a doctor, uh to a Don Tweedy.

T.G.- Who told you that?

M.R.- Dr. Nichols, and that through him, I could meet a Dr. Ernie Jordan, who is an expert in satanism.

T.G.- Expert in what way? Is he a satanist himself?

M.R.- No, no, no. He is a Christian psychologist. And he will introduce us to Billy Graham. And I was told that Billy Graham has the largest set of active files on satanism that we would have access to.

T.G.- And Graham is Agency?

M.R.- He's definitely, or so I've been told. I've never met Graham directly. I know my father knows him.

T.G.- You and I will go together?

M.R.- Yeah, you know, he said it was okay for you and I to...

T.G.- You told him about my problem?

M.R.- Uh, I told him that you were targeted by the cults. I also, uh, related to him details about Paul's death and about, uh, Joe's girlfriend, Jennifer, at Paul's funeral, and, you know, his funeral was definitely a satanic ritual.

T.G.- You mean his funeral or his death or both?

M.R.- Oh his funeral! They had all sorts of trimmings and trappings and it was carried out at Robert's By the Sea and he was cremated.

T.G.- Was Paul into satanism?

M.R.- No. Paul absolutely was not!

T.G.- But his brother put him in there for funeral purposes?

M.R.- Uh, no. Jennifer did. I don't think Joe is into, uh, into satanism. I just can't picture, uh, Joe Morasca being into, uh, into satanism. You know, but I definitely know that Jennifer is that type. She's

really kooky!. She claimed to be talking to Paul's spirit. She claims to telepathically communicate with her friends in South America all the time.

T.G.- Is she in an organized group?

M.R.- Uh, she is, uh, she knows Aquino.

T.G.- Is she in the Church of Set?

M.R.- Uh, I don't know if she still, I think she's still with Levay's (sp?)

T.G.- That's the Church of Set, the old Church of Set. Levay was with the Church of Set.

M.R.- Oh, I see. I thought there was an actual breaking away and I thought that Aquino had taken some of the people with him, but that Levay still had his structure.

T.G.- He may have. I don't know.

M.R.- Okay, that I don't know.

T.G.- Levay's down in Los Angeles now.

M.R.- Yeah. That's what I'd heard. I heard he was in North Hollywood, not L.A.

T.G.- Right. He's in North Hollywood. Yeah.

M.R.- But Tujunga, to be exact. Now, okay, I was also told that Dr. John Parks was, uh, associated, loosely with the Harvard Divinity School at the same time as Leary was in the psychology department pulling his shenanigans. Uh Leary, contrary to popular belief, was not experimenting with LSD when he got involved with psychedelic drugs. Uh, he was experimenting with, uh, psilisyden (sp?) uh, which was pharmaceutically made by Sandoz Limited of, uh, Switzerland. And it wasn't until a later date that, uh, he got involved with, uh, LSD. And John Parks was around the experiments that Leary was doing initially with LSD to get subjects to, uh, have beatific visions and, you know, see God.

T.G.- Who's Parks?

M.R.- Parks is, I've been told was involved with the Agency, and is the man we're supposed to go and see. And he's supposed to fill us in on other relationships that Leary had with, uh, with, uh, you know, people back then.

T.G.- So the Agency's right on top of the satanic situation?

M.R.- Uh, it appears that they are.

T.G.- That's because they're satanic or because the Soviets are involved?

M.R.- Uh, I think a little of both. Uh, now the reaction to Aquino that I got from Dr. Malkin was, "Well, his clearance isn't all that high."

T.G.- Clearance where?

M.R.- His, uh, top, uh, his top secret clearance, or, uh, I don't know the nomenclature of those high-up clearances or specials. Uh, you know, and he said something in Department of Defense parleyance, in that, "ah, he's just low..."

T.G.- He still has the clearance?

M.R.- Oh he still has, oh, and everybody in his group is either psy-ops or intelligence type people. I mean, almost every one of the people that's in their corps group is, you know, psy-ops or intelligence related. Now that offended my sensibility. I mean, it's obvious, you know, what they are! Leary was not the first person in this country to try and peddle LSD. A man named Bernard Rosenman (sp?) was, and he started in the very early sixties -- '61 and '62. And Berneard Rosenman was the one who, you know, who invented the sugar-cube. And, uh, I met, uh, Rosenman through Holbert. And Rosenman told me himself that, uh, he couldn't even give the stuff away in the early sixties.

T.G.- Holbert told you he's involved in the satanic cults.

M.R.- Uh, he told me absolutley that ; uh, their organization had, uh involvements with the, uh satanic cults.

T.G.- What's their organization?

M.R.- Uh, Soviet GRU is what, uh...

T.G.- Did he admit that he's Soviet GRU?

M.R.- Absolutely. Uh, when we broke into his place in Santa Cruz, his daughter pin-pointed the location of some diaries that I might be interested in. And, you know, I turned those over to Nichols and, uh, group. And Holbert had a pretty detailed accounting of his activities. Uh, I'm gonna make available to you, uh, you know, uh, portions of those diaries and things, that, uh, you know, uh, we can agree upon, meaning Nichols and I, or, well, all of my files have been transferred, have been taken out of the Indio office and they're all now down in Miami under Bob Frye's control. That was just done recently. So, it will probably be between Frye and I, you know, to discuss...

T.G.- You mean documentation about Holbert being involved...

M.R.- In his own handwriting-- his notes and his diaries...

T.G.- GRU and satanic cults?

M.R.- Well, no. GRU and various operations, uh, you know, in that capacity, which, uh, included, uh, destabilizing, uh, the Hell's Angels. Uh, Al Holbert had Hell's Angel, Terry the Tramp, killed. His death was not a suicide. Uh, and, you know, he had destabilized other radical groups by taking out leaders that, uh, were in his way. I have a list in the other room of all the current Holbert people that are in the Hell's Angels. Let me go get that. Okay, uh, Irish, Mr. Irish, that's Malcolm Taggart, uh, he's the chief guy

T.G.- In the Hell's Angels?

M.R.- In the Hell's Angels. At a news conference, well, it wasn't, the Hell's Angels, several years ago, had a run to uh, Saint Louis, and they were at the, uh, house of Jim Bevins (sp?), who is another high-up in the Hell's Angels, and the news media showed up there. And they shoved a camera in Sonny Barger's (sp?) face, and Sonny Barger didn't want to make any comments at all. He said, "You'll have to talk to my press manager, Mr. Irish." And then Mr. Irish made a statement. We can get our hands on a copy of that, uh, you know, that television report and you'll see a look of, uh, I don't even know how to describe it, but it's obvious what the pecking order is, you know, from that one, you know, one situation. And I have a man who was actually there. Now Jim Bevins is not alive. He was, uh, supposedly died this last year of natural causes. Uh, Holbert told me otherwise. Billy Bevins, Jim's brother, uh, will sit down and talk to us, and he will, uh, relate to the pressure that, uh, Jim Bevins was under and the fear of his life, and he will relate to, uh, the, uh, fear of his life, uh, that he is in and that several other people are, and that Mr. Irish is calling the shots. Uh, Holbert's man in the Vallejo chapter of the Hell's Angels, which is the heaviest drug producing, uh, branch, is Kanack (sp?) Holbert's man on the coast and in L.A. is Mike Mason or Bruno.

T.G.- Does Holbert oversee all these people? or all these various...

M.R.- Oh yeah, oh yeah. And Holbert's got several lieutenants, you know, that we'll get into.

T.G.- What's Holbert in charge of?

M.R.- Uh, listen, he completely, anybody who started up independent in the drug business, you know, they were out. I mean, they were dead. Uh, and Holbert is interested in high technology.

T.G.- Organizationally speaking, though, is he in charge of a group of people?

M.R.- Look, uh, Marvin Kahn (sp?) is one of Holbert's right-hand men. Do you know the attorney, Marvin Kahn?

T.G.- Where is he?

M.R.- Uh, out of, based out of Los Angeles. Uh, he and his wife, Margie, used to have Zig Zag Bail Bonds. Now, Margie Kahn, I think we can get to talk to us. She's scared. She's divorced from Marvin and she's scared. Now, did we put on tape about the Ragusa (sp?) thing and how Kahn was, uh...? No. Uh, before uh, Ragusa, up in the Bay Area, uh, died, or was murdered, uh, Marvin Kahn was his attorney. And immediately after the death of Ragusa, Marvin Kahn dismissed all of his clients, you know, that he could and took on no new clients. And the only person he has represented in any legal matter, since then, you know, Kahn returned after Ragusa's death. And the only person he ever represented in any legal matters was Al Holbert. He and Al Holbert are very, very close. Uh, Richard Kanazi is one of Al Holbert's people:

T.G.- Who are his lieutenants? Do you know?

M.R.- Uh, Marvin Kahn and Richard Kanazi, and now, uh, Joe Morasca is one of his, uh...

T.G.- Okay, so he deals in drugs, and one of his ranches involves satanic cults, and what else? And incidental, is he part of GRU? He is GRU.

M.R.- There is a string of bars -- topless/bottomless bars that are owned by two Jewish brothers. I don't have their names on the tip of my tongue, but I've got them, uh, in my notes, and Holbert controls those guys.

T.G.- Where are they? San Francisco?

M.R.- No. They're in Los Angeles, uh, they're in Bakersfield, uh, they're in the Fresno area, and, uh, they've got a lot of bars in Japan. You know, these, uh, Jewish guys.

T.G.- Do they deal in drugs out of these bars?

M.R.- Uh, they deal in a little bit of everything. Uh, I concentrated on the three in the Bakersfield area, because Gene Penrose, who is running one of them, uh, he, uh, planted a relative of his... It gets pretty crazy, doesn't it?

U.P.- Yeah, if I don't make, like A-1, A-2, B-1, we'll never find anything.

M.R.- Well, look, we've got to at least lay the canvas out, before we start slicing it up into nice neat orderly, you know, pieces. You know, if we can ever trust Dusty, you know Dusty is just a master in factor analysis, and uh, and [unintelligible]

U.P.- It would be hard to get me to trust Dusty now. You know why? He's too [unintelligible]

M.R.- You've gotta realize, you know, he's still with the Fresno P.D. and he was junior, it wasn't his investigation. He just initiated contact.

T.G.- Was Holbert in charge of an organized satanic group?

M.R.- Well, not directly that I know of. Uh, the only person that I know of directly, that I've seen in Holbert's presence related to the satanic cults, are, I've seen Gordon Greeber (sp?), you know, in his presence, and I've seen Kenneth Anger in, uh, you know, Holbert's presence. And I've seen Kenneth Anger, uh, interface with the people at Glide Memorial, uh, Church, uh the Messiah's World Crusade, uh, out of the Berkeley area, and uh, a guy named Bill Knuckles, who was involved with the satanic thing.

U.P.- Does he have a brother?

M.R.- Knuckles? I'm not sure. The person who can answer all the real details on this stuff is Luther Green. Now, another thought came

to me. Uh, is there any chance that Luther Green is related to Dr. MacDonald? That's another question you should ask. His name is Luther MacDonald Green. Luther was very, very close to Leary. And the MacDonald Family owned a large mansion in, uh, Atherton. Well, on the border of Atherton and Woodside, in about that area. I mean, they had a massive estate. And that's where Luther, you know, grew up. I went there with Luther and some of Leary's people, you know, to look at the place. And for one reason or another,uh, Leary went on the road with his, uh, medicine show, instead of settling down into another, uh, [unintelligible] situation. Uh, okay, now, uh, Ray Ogilor (sp?) used to be, uh, one of Holbert's guys. I believe Ray Ogilor is dead. A, uh, Terry Forgath (sp?) used to be one of Holbert's...

T.G.- Forgath?

M.R.- Yeah, Forgath. Are you familiar with that name?

T.G.- No.

M.R.- Okay, uh, and he was murdered. Another guy in the L.A. area, Tall Paul. Does that ring a bell with you?

T.G.- Do you know his last name?

M.R.- No, I don't, but I can get this, I can get this stuff. Uh, and then there's, uh, Big Jim, uh, Leonard, uh, Nathan, uh, and Old Man John. They're all in the L.A. area.

T.G.- They were involved...

M.R.- They're principals in the Hell's Angels

U.P.- Leonard Nathan?

M.R.- Uh Leonard and Nathan. And then there's Boomer and, uh, and Bob. Those are all, uh... Now George Christie (sp?) is the most active right now in regards to amphetamines and wholesale drugs for, uh, Holbert. And he runs a motorcycle shop called California Motorways ironically on, uh, California Motorworks, and it's ironically on Fix Way in Ventura. And, uh, he is working directly with Holbert and Kanazi on attempting to rebuild their amphetamine, you know, distribution network. Uh, George Christie is in no way, shape, or form involved with Kalka. You know, this is entirely separate attempt at getting things going again without Kalka. Kalka was one of, you know, Holbert's lieutenants. Uh, the other lieutenant with Kalka was Charly Weinberg (sp?) and Charly Weinberg set up the Vortex Chemical Company in, you know, in Berkeley for uh, for uh, Holbert. Now, you've heard uh, you know, that Sonny Barger, you know, is the president of the club. Well, he's the international president.

T.G.- When you say the club, meaning...

M.R.- Uh, the Hell's Angels, and then you know, there's Walt and there's Jim-Jim and there's Deacon and all these people. And these guys really don't have the power in the club. The public, you know, focuses on them, you know, uh...

T.G.- Who has the power?

M.R.- I just named them.

T.G.- Those people have the power?

M.R.- Oh, Ortega, Irish, Jim Bevins, before he died, uh, Kanack, uh, Bruno, and Tall Paul. Those are the guys, right now, that wield all the power. I mean, that's the leadership structure.

T.G.- Of the Hell's Angels?

M.R.- Of the Hell's Angels. Now the man that liaises with the clubs on the east coast, the Kingsmen and the Pagans, is Boomer. Boomer is an old Road Vulture from New York, from the east coast. And he is the main liaising man, you know, with those clubs. The next man down the line who liaises with the other clubs, is Kenny Baker, or he's known as K.B.

T.G.- From where?

M.R.- Uh, he originally was from a group called the Knights in Bakersfield and he was their president and then he went over to the coast to San Luis Obispo and Ventura and that area to a group called the Orphans, and then he went from there to the San Bernardino chapter of the Hell's Angels and he was vice president there. Uh, between Kenny Baker and Boomer, those were the two main guys who liaised with other clubs nationwide.

T.G.- How's Holbert tied into the Hell's Angels?

M.R.- Holbert controls the whole situation.

T.G.- He's the kingpin.

M.R.- He's the kingpin.

T.G.- In the United States?

M.R.- In the United States, period, plain and simple. I went to St. Mary's College in, uh, 1967. Uh, Terry the Tramp comes from a very religious family. He's got nuns and priests in his family. One of the former top Hell's Angels, Terry the Tramp and Ed Griffin, nicknamed Dirty Fu, I knew very well from my, uh, Straight Theatre days. And Terry the Tramp gave me his diary two weeks before he supposedly committed suicide. I have Terry the Tramp's diary.

T.G.- Why did he give it to you?

M.R.- Uh, we were friends. Uh, his, uh, brother was my counsellor at St. Mary's College, and we talked about things; and we knew that something was happening. And Terry the Tramp suspected, uh, he suspected that the sudden disappearance of acid, you know, meant that somebody was trying to take control of things. And he had been approached, and, uh, Terry the Tramp knew that it was his time. That was exactly what he told me.

T.G.- Did he give it to you so that you could have control of it?

M.R.- Yeah. There's a copy of it, you know, in the safe at, uh, St. Mary's College and there are other copies of it, you know, spread out, so that nobody would be able to, you know, round it up.

T.G.- Are the Hell's Angels involved with satanism?

M.R.- Uh, not as a club. Now, you've gotta realize that there are a lot of older guys with the Hell's Angels that don't wear their patches anymore. You know, they've hung up their colors, because of all this bullshit with, uh, Al Holbert. And I can arrange a meeting between you and Ed Griffin, where Griffin will sit down and just tell you the whole ballgame, provided that nobody else finds out that, uh, you, uh, and he are talking. And I can arrange a meeting between you and Kenny Baker, okay? And I think you can pool both of those guys to give you continuing intelligence information. They're very, very disturbed, you know, about what's going on with, uh, Holbert!

T.G.- Is there Soviet involvement there?

M.R.- They're not, uh, Fu really doesn't want to believe it, but he's beginning, you know, he admitted, uh, a few months ago that I was right, and Bud Bernard, a guy who grew up with Fu. He's not in the club, but he's an affiliate to the club. That's who, uh, that's Dusty's cover.

U.P.- Fresno P.D.

T.G.- Dusty?

M.R.- Fitzgerald.

T.G.- Dusty Fitzgerald with the Fresno P.D.

M.R.- And then Dusty's brother, I don't know if he's head of narcotics, but he's one of the top guys in narcotics in, you know, Fresno P.D. And they're non-Company oriented. Okay?

T.G.- Company meaning?

M.R.- Uh, the funny Company.

T.G.- The funny Company, yeah. Do they know about the Company?

M.R.- Oh yeah. They're terrified by it! Absolutley terrified by it! Because the Company, they snuff anybody who, uh, goes into competition with them.

T.G.- The Company does?

M.R.- Yeah, you do not sell drugs, uh, to the Company. You either get busted or, uh, you know, you get shot. Or O.D.ed, you know. One way or another, they take out their competition. They don't fool around. I mean, and Fresno was their bailiwick.

T.G.- So what you're telling me is that Holbert, who is GRU, controls

drugs, and is also involved in satanic cults. Is that what you're saying?

M.R.- That's exactly what I'm saying.

T.G.- When you say, "controls drugs," in what part of the country?

M.R.- Uh, I would say...

T.G.- And controls the Hell's Angels.

M.R.- He absolutely controls the Hell's Angels! And I'm gonna put you directly, face to face, with Ed Griffin and with Kenny Baker, and I'll have them tell you. And I'll put you face to face with Billy Bévins, who is the brother of Jim Bevins, who is a kingpin in the Hell's Angels, uh, and he'll tell you. And, uh, I know Mr. Irish's girlfriend, Uh, Jan Murray (sp?), who is presently undergoing psychiatric treatment. She's not with Mr. Irish anymore, but she can tell you about going to various places and Mr. Irish, uh, meeting with Al Holbert. And, you know, when you talk with some of these people, you'll understand the fear and intimidation of people who, in the public eye are supposed to be bad asses, you know, bad ass bikers that fear no one, that are terrified of Holbert's structure.

T.G.- Because they know GRU Soviet...

M.R.- They don't know specifically what it is. They just know that he controls the money. Now, for the last few years, the rank and file of the Hell's Angels hasn't been that affluent. They haven't been that affluent, because of the pricing structure, you know, of the drugs and the various things that they sell. And that pricing has been enforced, uh, you know, by this leadership structure. All this money passes, through that structure, but nobody's got anything to show for it!

T.G.- Where is it going? To Holbert?

M.R.- Uh, I, uh, imagine so. Now, a man named Lenny Brusacker (sp?), uh, was the man who was handling ,most of the drug money. And, uh, I was interested in Lenny Brusacker, because I had heard that he had come down, through Victor Petrucci, I had heard that he was buying dynamite in the Los Angeles area. And when we checked out the situation, a guy named Bobby Dee did, in fact, have the dynamite. Then I heard that he was selling Brunswick, uh, wall (?) (roll?) breaching devices, which is a rifleman's assault weapon, and they were selling them to some groups or some people that I knew were involved in the Nuclear Protest Movement, was a guy named Cloud. I don't know what his real name is, but he's a Hell's Angel named Cloud that's in, he's out of the North Hollywood area, and he is involved with, uh, some of these anti-nuclear demonstrators. And I call up Bob Frye and I say, "Guess what's for sale." So I told him. So, uh, he said, "Well, why don't you and Peter go take a look and make sure that they're the real McCoy." So, we came in to Los Angeles and for four hundred bucks, through Petrucci, uh, Victor Petrucci, we were able to buy a rifleman's assault weapon. Uh, Bob Frye immediately took heed on that, passed the word, and they, uh, made some basic changes in security in the

Nevada test site, you know, for nuclear weapons. Uh, they got more armored vehicles and other things to, you know, counter, you know, the threat, you know, of that type of threat, uh, that type of device being available. Uh,... [pause]

U.P.- Peter Clapham?

M.R.- Yeah. Clapham.

T.G.- C-L-A-P-P-A-M?

M.R.- Yeah. Uh, my wife was with, at Joe Morasca's, this was, uh, over the new year's holiday, and uh, Joe Morasca and Paul and I got into a big fight, and Peter Clappam was there and so was Peter Clappam's father, and at the height of the argument, Peter Clappam's father said something to him in Russian. And shortly thereafter, they both left.

T.G.- So, Peter Clappam's a Soviet?

M.R.- No, he's...

T.G.- A Russian?

M.R.- Canadian, uh,..

T.G.- Clappam's a Canadian?

M.R.- He, I believe he's a Canadian. I know he has a residence in Calgary. He also has a residence in Mexico. Smith was the one who told me. And Smith offered to tell me where those residences are.

T.G.- Uh, Smith is who?

M.R.- The man you know is Reggie Smith. I know him as Ron.

T.G.- He's using the name Ron?

M.R.- Yeah.

T.G.- You saw those pictures I showed you. Is that the same person?

M.R.- Exactly the same person.

T.G.- So that artist's conception I showed you is...

M.R.- Uh, no, hair's a lot different.

T.G.- Well, see, that was thirteen years ago.

M.R.- Yeah. Hair is alot different!

T.G.- But is that definitely the same person?

M.R.- Yeah. He has a much slimmer face and he's strung out on heroin.

T.G.- Can you give me a description of him?

M.R.- Pretty hard to do.

T.G.- Height? Weight?

M.R.- Oh, I would say, uh, 150 pounds, 160 pounds recently. Now, recently, he's been on a run with heroin and he's lost alot of weight.

T.G.- How tall is he?

M.R.- And I would estimate that he's 5'10".

T.G.- How about Clappam?

M.R.- Clappam is taller. How much taller, I...

T.G.- As tall as I am?

M.R.- At least. He has thin features, Sometimes he has a mod haircut. Uh, and just written... Oh wait! I know where I've got his description written out. [pause] Okay. Brown hair, brown eyes...

T.G.- This is Clappam?

M.R.- Clappam.

T.G.- Brown hair, brown eyes?

M.R.- Brown eyes, medium beard, fair complexion, and a moustache, and he had a mod type, uh, haircut.

T.G.- White male?

M.R.- White male.

T.G.- How old is he?

M.R.- Uh, he is about 34, 34 or 35.

T.G.- How about Smith? How old is Smith?

M.R.- Uh, Smith is about the same age. Maybe a little more.

T.G.- Are they tied in with Holbert?

M.R.- Uh, Ben Kalka told me yes. Okay. This is what Ben Kalka, this is immediately after, you know, the description I got, the details on the description of Clappam I got immediately after Paul's death, when Ben Kalka contacted me. And he thought that, uh, Clappam had something to do with it, and he told me that, yes, Clappam was involved with Holbert and that Clappam and a Mr. Glassberg were involved with, uh, Holbert, and he had, Kalka had suspected that they were the ones who did it. And, uh, Smith insists that Clappam is an independent. They're partners on contracts.

T.G.- They're hit men?

U.P.- What's Smith's first name again?

T.G.- Ronnie or Reggie. They are hit men? both hit men?

M.R.- Well, they've got a sail boat together too, and the sailboat's been missing for quite, well, I haven't talked to Smith for awhile, and uh, the,uh, sailboat's missing, or they're just out of contact, but they've got a sailboat together, they've got some outboard boats. Uh, Smith told me he had a couple of one seventy-fives....

T.G.- To run drugs?

M.R.- Well, obviously.

T.G.- You mean off the mother ship?

M.R.- Uh, that's generally the M.O. Whether it was their own sailboat or somebody else's, or, you know, what they did there, I didn't go into detail. But they've got a place in Calgary, or I should say that Clappam has a place in Calgary, and Smith offered to, you know, show me where that was. Uh, he's hoping that I'll get him some, sionics silencers, you know, that's the carrot that I'm dangling in front of his face.

T.G.- For his contracts?

M.R.- Yeah. He wants something that will silence a 30.06. And, you know, there is a sionics (sp?), you have to make whisper (lines?) for it, you know, but that's one of the carrots that, uh, I'm dangling.

T.G.- Are they independent? Both of them?

M.R.- Well, that's what they claim, uh, but Dr. Nichols told me that, uh, Clappam, uh, definitely, uh, was a Holbert man, or, I mean definitely was somebody else's man, whether or not he was with Ben Sarges or Al Holbert, that was unclear, but that, uh, and the way they traced that was by some money transfers that took place, and apparently it went back to, uh, Holbert, or, uh, Sarges.

U.P.- Does Nichols know anything about Ted?

M.R.- No! Absolutely not! Frye is aware of Ted.

U.P.- Does Frye know that Ted is a friend of mine?

M.R.- Yes he does. I see no threat from Robert Frye. You know, my life is in that man's hands, has been for a long time.

U.P.- Frye's got a damn good reputation, doesn't he?

M.R.- Listen, we just put together a, uh, type-four. [pause]

T.G.- We're back to Clappam and Smith. Did they get into Holbert?

M.R.- Uh, I would say yes. Smith denies it.

T.G.- Smith denies it?

M.R.- Smith denies it, and I don't trust Smith.

T.G.- Does Smith admit he's a hit man?

M.R.- Oh yeah! He brags about it.

T.G.- Who is he a hit man for?

M.R.- Uh, he claims he's independent--the highest bidder.

U.P.- Has he ever named a contract he's completed?

M.R.- No.

U.P.- He's not that stupid.

T.G.- Does he admit he's into satanism?

M.R.- Mm-hmm.

T.G.- What does he say about that?

M.R.- Uh, he says that satanism is not demonic.

T.G.- And he admits he belongs to a group?

M.R.- Absolutely. Absolutely.

U.P.- Does he know Aquino?

M.R.- Oh yeah.

T.G.- Church of Set?

M.R.- Well, he never mentioned the Church of Set to me, and never, you know, because at the time, I, uh, wasn't that interested, and I just thought they were a bunch of kooks. I know Anton Levay very well and the guy's a jerk. Okay? I mean, he is a real jerk. I could talk circles around him. And, uh, so I just thought, you know, I know Rick Miller, who is another understudy of Levay's, and the guys are just nowhere.

U.P.- Do Clappam and Smith know Thompson?

M.R.- Oh yeah! Absolutely.

T.G.- Are Clappam and Smith involved with Thompson?

M.R.- Not that I, I can't find anything.

U.P.- But you're positive they know one another?

M.R.- Oh, absolutely!

U.P.- Did Thompson mention them or did they mention him?

M.R.- Well Thompson was with me once, this is where I had Thompson next to me and we were, uh, doing various things that Nichols orchestrated, uh, to keep Thompson on a treadmill. And I even had Thompson go out and talk to Doug Orr of, you know, the Hell's Angels regarding that hit that was put out.

T.G.- On who? You?

M.R.- Oh yeah! Yeah, by Kalka. Uh, you guys talk to my dad about the efforts that Kalka made to find me. And uh, Don Wager, Kalka actually came to Don Wager with his attorney and in front of Kalka's own attorney, to Don Wager, he threatened my life, went into some details, and Wager stopped him, and said, "Hey! Hey! There's no privilege here." And he's addressing it more to Kalka's attorney than he is to Kalka. And Kalka persisted on talking! So Wager can give you some, uh, insights into Kalka, and how bad he wanted to get his hands on me.

T.G.- Have you got anything more about Holbert that you can think of right now?

M.R.- Well, Holbert, uh, to me, uh, is one of the slickest guys I've ever come across. I mean, Holbert really understands what's going on in this country from the standpoint of [unintelligible]. Uh, he threatened, he even told me he had a drug lab all set up just for me.

T.G.- A drug lab?

M.R.- A drug lab and that he would drag my hide to it, and he would take my hands and put amphetamine oil on them, and then, you know, force them around pieces of glassware and other apparatus, and he said he'd do the same thing with PCP, and then they would drug me and, uh, call the cops. And the cops would come in and find me drug crazed, uh, in a producing drug lab. And Holbert is also the same person who told me that Jimmy Chaudra (sp?) was going to be acquitted of, uh, charges of murder against, uh, Judge Wood. You know, everything Holbert has told me, you know,...

T.G.- How'd they do that? Did they pay somebody off?

M.R.- Uh, he didn't go into detail, you know, of course, I imagine, either that or they had one of their people in there, a judge, or, you know. Holbert's tackles are just far and wide.

U.P.- Are you aware of any other judges who have been terminated by the group?

M.R.- Uh yeah, and a prosecutor in Florida, you know, that they were [unintelligible]. I don't have those names on me. But, you know, the authorities are aware of all this too, so...

T.G.- Can you think of anything more about Holbert, so we can get through Holbert? I've gotta go.

M.R.- Uh, Holbert knows the peninsula area and the high tech areas. Holbert knows, you know, psychological operations. And, uh, Holbert knows Leary personally and he knows Keasy personally. Uh, I'm still on good terms, good speaking terms with Keasy. And Keasy's up in Springfield, Oregon. He's got the Springfield (crane?) thing and he's got a crowd of people around it, you know.

T.G.- Who does Holbert report to?

M.R.- Uh, indications are that he reports to Jean Pierre.

T.G.- You say indications. You mean, he told you that?

M.R.- Uh, he, uh, told me that he knows Jean Pierre, bu I've got references in the diaries of Holbert that, uh, indicate, uh, that he, uh, uh, takes orders from Jean Pierre.

T.G.- Jean Pierre is where?

M.R.- Well, there are alot of rumors out that he's dead, but he was in this country, well, I've known about his whereabouts in this country three times in the last year.

U.P.- Say his full name.

M.R.- Jean Pierre, uh, Boegner.

T.G.- How do you spell that? B-O-E-G-N-E-R?

U.P.- I can tell you in one second. B-O-E-G-N-E-R.

T.G.- B-O-E-G-N-E-R.

U.P.- Address in Paris; 114 Champs Elysees, Paris 8, France. Car phone: 391-5843. Two French numbers. Residence where he resides most of the time when he comes down to do his things. That goes into my territory, the minute it [the conversation] moves from Holbert.

M.R.- Jean Pierre reports directly to, uh, Colonel Stefan Uznanski.

T.G.- Stefan what?

M.R.- Uznanski.

T.G.- Spell that, will you?

U.P.- Uznanski. U-Z-N-A-N-S-K-I or Y.

M.R.- I'll check with Peter, uh of the Ukrain, to get the correct spelling of that.

U.P.- I have strict files on him.

T.G.- Okay, and he is GRU?

M.R.- No. KGB.

T.G.- He's KGB?

U.P.- As high as you can go.

T.G.- And his is where? In the Kremlin?

M.R.- No, he is in, uh, Vienna.

U.P.- He is out of Salzberg.

M.R.- Well, he knows the details.

T.G.- He's out of Salzberg?

U.P.- Yeah. He has a home twenty minutes from Salzberg. His hobby is boar hunting. He has about a twenty man contingent.

T.G.- Is Boegner a Canadian?

U.P.- Boegner is French. Boegner was involved in the assassination attempt on de Gaulle. Boegner served time.

T.G.- He's KGB?

U.P.- Oh yeah. A colonel.

T.G.- A colonel. [pause] Okay, anything else? [pause] Anything more on Holbert that we should bring up?

M.R.- Holbert was very disappointed because he thought he could turn me.

T.G.- When did he try to turn you?

M.R.- Uh, in August of '81, and on out, you know, he's tried to pull me.

T.G.- Did he admit at that time, he was KGB?

M.R.- GRU. GRU.

T.G.- GRU?

M.R.- Yeah. And, uh, you know, I know it from his admissions, I know it from his daughter, and I know it from books with his own handwriting in it on notes on operations.

T.G.- What's his daughter's name?

M.R.- His daughter's name is Karen. She's got an Israeli name, but most of the Israelis I know have two names, you know, they, uh, I don't know what the significance of it is, like Singer, you know, uh, he's got a different name...

T.G.- Is Holbert Jewish?

M.R.- Absolutely. Absolutely.

U.P.- But I'd like to make one comment about Boegner. Everyone here says his name is "Boegner". Jean Pierre Boegner calls himself Jean Pierre Boegner [pronounced John Pierre Burgner]. Everyone says his name is [pronounced] something else.

M.R.- He's a real extravagant guy! Well, Jean Pierre was out to visit the Cabazon Indian Reservation, you know, twice in the last year, you know, as part of a circuit that he made, and uh, Nichols had him around.

U.P.- Well he put Hughes on it.

M.R.- Oh yeah. Well, and then this [unintelligible] came from Washington, D.C. with a whole contingent of people. You know, I've never seen more [laughter/unintelligible] gear in all my life!

T.G.- Has Holbert admitted to you he's involved in the satanic cults?

N.R.- Yes, he has, but, you know, more bragging, not an admission. Holbert's attitude was just trying to brag to me how clever he was and how they had everything dialed in.

T.G.- Meaning the Soviets?

M.R.- Yeah.

U.P.- Oh, you can't believe these people!

M.R.- Hey, our compliment and our intelligence people don't have a clue! They don't have, Ted, they don't have a clue!

T.G.- You mean how good they [Soviets] are?

M.R.- Yeah. Ted, I went to the Woodside Priory. The priests there are Hungarian, uh, Benedictine Monks. And we're gonna have to go and meet Father Egon and Father Christopher. Father Christopher was my philosophy teacher and Father Egon was my religion teacher. Those guys were some of the guys that ran the Hungarian uprising in '56. And Father Leopold, the house, the dorm master in the dorm that I lived in, uh, he was commenting on the Peace Movement one day, you know, shaking his head and saying, "In our revolution, we even had guerilla T.V." You know, and I got quite close to Father Leopold and he, uh, told me a lot about what really went on and the attitude of the Soviets towards life. And they use the criminal element to, uh, to further their aims. And as soon as they come into power, anybody they use, you know, that was in the criminal element, they liquidate them all! You know, the whole basis for Marxist dialect materialism, is you destroy everything. Not just certain parts of the structure -- you destroy everything to start all over again with the new order.

T.G.- Would they destroy what is still useful to them?

M.R.- Uh, of course not, you know, but uh, the basic concept of Marxist philosophy is that you can destroy everything, and, uh, you know, to rebuild the new order. You know, and uh, we heard a comment tonight on TV. It wasn't Jody Powell. It was someone else in the Defense Department and he said, "Well, if the Soviet Union is the evil regime that President Reagan makes it out to be," Oh!! And if you talked to these priests who lost their country and saw the aftermath of World War II, and Father Egon used to tell us in our religion classes, you know, what, uh, happened and how he managed to stay alive. And you just can't imagine that much death and human misery!. And the Russians terrified, you know, the people in Europe at the close of World War II! You know, absolutely terrified them! I know I was never presented with that version of history, until I went to that school. And needless to say, we're all well steeped, coming out of there, in Marxist dialectic materialism, you know... [pause]

M.R.- Well, Ted, the point I was...

T.G.- Do you have the tape on?

M.R.- Yeah. The Point I was, uh, tried to make to you so far in where we're at, is that I was a child prodigy. Uh, when I was up in Tacoma, Washington, I had entered several science fairs with laser type devices and I made a carbon dioxide and I made an argionic (?) laser, uh, when I was in the ninth grade in high school. And I mean, these were full size, real working lasers, and,uh, very high powered -- the, uh, argon laser was, uh, several hundred watts of power, you know, optical output. You know, I mean, that was a phenomenal power level then, and, uh, I won the trip to Westmount(sp?) from the science fair --the junior exhibits at the western electronics show and convention which was held in San Francisco. And as a result of that, I was introduced to, uh, Dr. Arthur Schalow and I got to work in his group as a high school student. So, in order to continue my relationship with Dr. Schalow after the first summer, I was, uh, my family decided to put me in a boarding school down here, which was the Woodside Priory in Portola Valley. So, I was away from my home in Tacoma, and we had some family friends in the Palo Alto area, and you know, they took me around, and I was introduced as a very bright, you know, child, who was doing all these exciting things, and I just happened to get introduced to a few of the wrong people. An old friend of my mother's, Charlotte Davis, uh, knew alot of people who, you know, lived on campus, and uh, she introduced me to the Wills Family, you know, Michael and Babette, uh, Wills. And it was at the Wills' home in Portola Valley, that I met Al C. Holbert.

U.P.- Wills was former State Department?

M.R.- Right. He was, uh, I think he was, uh, his area of specialty was Korea, but I'm not sure. I'd have to check my diary and notes, but as I recollect, it was Korea. And it was, you know, through the Wills' that I met Al Holbert. And, you know, I was a kid, you know. You know, I was a kid, and uh, I didn't know which way was up or down, you know, with, uh, you know, things like that. And Holbert, over the years that I knew him, uh, presented alot of credentials. And I introduced Holbert to alot of people in Silicon Valley, and you know, I feel I was had by the guy. And I made alot of money, uh, from Holbert, uh, writing software, you know, designing pieces of equipment, uh, microwave devices, electrical devices, and uh, various types of software, uh, everything from complete, uh, operating systems, programs, and uh, algorhythms, you know, for various things. And, uh, Lord knows where all of that stuff went!

T.G.- Did it go back to the Israelis?

M.R.- Well, uh, I'm sure it did.

T.G.- Soviets?

M.R.- Uh, what percentage went where, I really can't say, but I do know that, uh, you know, Al Holbert is, uh, definitely connected with the Israeli Government. Uh, he's been decorated, you know, in combat for them and just recently, I've been contacted by somebody who is a relative of, uh, an Israeli intelligence officer, you know, that I know, uh, first hand, to be factual that he is an Israeli intelligence officer, and the subject of discussion is Al Holbert

T.G.- In what tone?

M.R.- Pardon?

T.G.- In what manner did you have a discussion?

M.R.- Well, they want to talk. And the feeling I get is that they're very excited, you know, to talk about Holbert. Uh, obviously, it's something sensitive.

T.G.- They want to talk to you about Holbert?

M.R.- They want to talk to me about Holbert. Presumably...

U.P.- Al Holbert told you directly that he is with the GRU?

M.R.- He told me he is in the GRU and he bragged that, uh, you know, he had, that there are over thirty-five thousand, uh, GRU agents, uh, active on the North American continent. And I checked with John S. Amerol (sp?) and with Robert Frye and they told me it was about half that number.

T.G.- Why would he brag to you that?

M.R.- Uh, he was trying to overwhelm me with...

T.G.- Trying to [unintelligible]?

M.R.- Oh absolutely!

T.G.- Into the GRU or...

M.R.- No, he wouldn't specify. He wanted me to leave the United States, through Canada and uh, go to Israel.

T.G.- And you don't know what would have happened after that though?

M.R.- Uh, Lord knows!

T.G.- Why did they, did they want your brain?

M.R.- Uh, I imagine so. I imagine so. I'd done some pretty spectacular things for them.

T.G.- Do you think there's a possibility they would want to kidnap you and put you back...

M.R.- Well, they've attempted to do that. Uh, I believe that Philip Thompson was part of that attempt when he had me, uh, tied to, uh, automobile, uh, safety belt in the back seat of a car in, uh, Los

T.G.- When you ran up the ramp?

M.R.- Yeah.

T.G.- In the airport?

M.R.- Well, it was, uh, north of the airport, you know, on 405, coming up the hill, uh, by Mulholland Drive off-ramp, in that area.

T.G.- The last time we talked, Michael, you said that you had obtained some information in a search of Holbert's house. Had you been in there with law enforcement or...?

M.R.- No. No, I went in on my own.

T.G.- On your own.

M.R.- Yeah.

T.G.- Okay, so did you pick the lock and go in?

M.R.- Uh, yes I did.

T.G.- Just went in and looked around. What did you find?

M.R.- Well, uh, I was, uh, tipped off, you know, to where he had, uh, notebooks and other documents, and I found, uh, I found his literature stash, and I took everything that was there.

T.G.- Did he know who was in there?

M.R.- Oh, he knows, uh, he knows I've got it.

T.G.- How long ago did this happen?

M.R.- Uh, it happened sometime in March of, uh, '82.

T.G.- Recent.

M.R.- Yeah. March of '82.

T.G.- Now you started talking about Holbert before we went on tape. Pick up on that, will you?

M.R.- Well, uh, Al Holbert is, uh, definitely the orchestrator, uh, behind a lot of activities. You know, I've seen him with, uh, I've seen him in the presence of certain people. Uh, I saw him in the presence of Irish, uh, Mr. Irish, Malcolm Taggart, uh, I saw him in the presence of Sonny Barger and, uh, Ed Griffin, and uh, I've seen him in the presence of Fernando Allegria at their home in Santiago, Chile. Uh, Andy Allegria, his son, was one of my classmates at the Priory. So Holbert definitely gets around. Uh and I just feel that it's incongruous that a man could be around as many people as, you know, Holbert has been, and the variety of people. You know, there's no connective link in, you know, lifestyle or in occupation, uh, you know, he just

cuts through a cross-section of people. And, you know, I was under the naive assumption that he was an Israeli, you know, intelligence agent, and only an Israeli intelligence agent, and I was caught up in the excitement of, you know, knowing somebody for real like that. You know, and I knew a few other people, who are working for this country and, uh, I confided in the guy. I told the guy about problems I had as they developed through the sixties. I told the guy that I was in contact with law enforcement on certain things and, generally, what I had relayed to law enforcement. And I think you will find in even the most cursory check of Al Holbert's, uh, records and credentials, you'll find the man highly credentialled and you'll find that he has touched all the letters. Uh, you know, he's touched the Central Intelligence Agency, the Treasury Department, the Secret Service and various local law enforcement agencies all over the country.

T.G.- When you say he's touched them, what do you mean?

M.R.- He's been involved with them. He's given special training courses, uh in his area of expertise. Uh, the way that Agent Blair Barney (sp?) of the ATF, the criminal enforcement section of the ATF, uh, put it, Al Holbert is definetly good at what he does.

T.G.- How about the FBI?

M.R.- Uh, the FBI Agent Barnes and, uh, Vollares in the San Francisco office, uh, they told me that, Barnes told me that Holbert, at one time, was head of the National Association of District Attorneys and that he was also head of some national association of private investigators, I don't know exactly the name of the association. But in one breath he tells me that, and in another breath, he tells me he's involved with Kalka, uh, and Kanazi and Marvin Kahn, and in another breath, he tells me not to worry too much about it, because he's just a nut. And that puzzled me, and it made me wonder what Mr. Barnes, or Agent Barnes was really interested in investigating.

T.G.- Barnes' first name is John?

M.R.- No, Steven.

T.G.- I thought it was Steven, but you corrected me the other night.

M.R.- No, no. I keep getting him mixed up with somebody down here. It's Robert Barnes.

T.G.- Robert.

M.R.- Yeah. Oh, I've got a copy of a letter, which my wife, uh, sent to Jim Hughes, regarding his services, protective services, until such time as I could enter into a protective, uh, protective custody of the FBI. And that arrangement was arranged for through Dr. Nichols, at the request of John Amerol and Bob Frye.

T.G.- Why would he want protective custody of the FBI?

M.R.- Uh, because there were attempts on my life at that time.

T.G.- Oh, for you.

M.R.- Oh, for me! Absolutely, for me!

U.P.- Ted should have a copy of that document.

M.R.- Yeah. We'll give it to him. And, uh, we went to Fresno and I was making an attempt to locate things which Thompson had removed from Hercules and any other evidence that I could find on Thompson, uh, he had removed some very sensitive documents, technical documents from Hercules, and uh, we had a tip as to where they were. He had a girlfriend in Fresno named Kathy Allen (sp?) that he stayed with, uh, on a regular basis when he was in the Fresno area. And we knew someone who was a friend of Kathy Allen's, uh, this Karen Bardley or Badley, uh, I've got the spelling of her name in my notes, uh, and she gave us a lot of information as to what was going on between Jason and Kathy, and what was going on with others, you know, in and around that situation. Karen had lived at the house. It was sort of a hippy crash pad type place. Kathy Allen's in Fresno.

T.G.- Kathy Allen is an associate of Kathy Barry's (sp?)

M.R.- Yeah. In Fresno, north east Fresno. And, uh, we, uh, got ran out of Fresno.

T.G.- Who's we?

M.R.- Uh, Bates and Hughes and myself, uh Brian Weiss and Victor Petrucci. I mean, we got chased out of there by a large number of people, all carrying guns. Hughes, there were incidents at the Fresno Airport and the Fresno Police were called, there were several fights on the plane, uh, going to Los Angeles, and then the LAPD, uh, took it up after that, and there's an active file on it now.

T.G.- Who was involved in the fight on the plane?

M.R.- Uh, Hughes and Bates and three other people. The three other people, I believe, uh, wait a minute, it was two of the three other people, I believe were positively identified as being affiliated with a group out of Fresno, known as the "Company", or with a private investigative firm that was known to be employed by the Company. And uh, the case is still open. And I don't know exactly what the charges were, but Hughes has retained, uh, Hughes and Bates have retained Harlan Braun as an attorney to answer those questions.

T.G.- In Los Angeles?

M.R.- In Los Angeles. Uh, it's just that anytime you get anywhere near these people, uh there's a reaction if you stick your nose too far into their situation. Uh, what I was amazed at was that the FBI didn't seem to want to have anything to do with protecting my personal property that had been stolen, or even hearing about what had been stolen, that Thompson had stolen.

T.G.- Is the FBI, uh, using him or what?

M.R.- Well, I don't know what the exact relationship is. When Thompson

came to me, he said the FBI had kicked in his door, uh it was over some jewelry robberies, and some other unspecified robberies, where sophisticated alarm systems had been penetrated, and that they had suggested to him that he was deeply involved with me. And he said that I sounded like such an interesting guy, that he just had to come and meet me. So, I introduced Thompson to a L.A. Times reporter and I introduced him to, uh, Dr. Nichols and I had him tell his story to both people. Dr. Nichols invited Thompson down to the Indian reservation and one thing led to another.

T.G.- Why did you introduce him to an L.A. Times reporter?

M.R.- Uh, just so I could have a witness to, uh, you know, what Thompson's story was. I knew that he was an attempted plant.

T.G.- He didn't admit this to anybody, did he?

M.R.- Thompson?

T.G.- Yes.

M.R.- Oh yeah, and he even, the FBI tried to find out, uh, who the reporter was, and I told Barnes and I told Bill Rice that, uh, they, if I ever needed him in the courtroom, that they would recognize him from their investigation of the state legislature in, uh, Sacramento, because this guy, uh dogged their ass up there.

T.G.- The L.A. Times reporter?

M.R.- Yeah. And he actually didn't write any articles. He just supervised, uh, some of the other reporter, investigative reporters the L.A. Times had up there.

T.G.- When did you introduce him?

M.R.- Thompson?

T.G.- Yeah.

M.R.- Uh, it was in, uh, I believe November of '81.

T.G.- When did you first meet Thompson?

M.R.- It was about November of '81.

T.G.- That same time?

M.R.- Yeah.

T.G.- He came to you?

M.R.- Yeah. He came to me. It was right after my trip from Washington, D.C. I went back with Dr. Nichols and Bob Frye, uh to meet Dr. Harry Fair and to tour some military installations and meet some top scientists, regarding technology that I have.

T.G.- What did he tell you about himself that would want you to go to the L.A. Times to have a witness?

M.R.- Well, he told me things about me that very few people could know, and that I felt were things that law enforcement, uh, authorities did not have on the record. Uh, he told me about Charley, that he knew Charley Goebels (sp?) and he knew that Charley Goebels had property in Arizona, and very few people knew that. And even when I talked to the FBI, uh, in the Oakland office, regarding an agreement between myself and the Federal Government, uh, they did not know Charley Goebels exact whereabouts and they knew nothing about the Arizona situation. Now, Charley Goebels, the last time I heard from him., he was on his way up, uh, with his wife and kids and they were due in that weekend. And Charley and I are good friends and I helped Charley out after he got out of prison, you know, with a job at Panamint Marketing and got him back up on his feet. And then I got him a welding job. So, you know, Charley and I, there were no problems between Charley and I, and he would have called, if there was a problem. And he just disappeared from the face of the earth. He disappeared from Bakersfield, uh his parole officer never saw him after that, and his mother-in-law, you know, mother-in-law and father-in-law haven't heard from him.

T.G.- What about his wife and children?

M.R.- Uh, his wife and kids, uh, disappeared with him. And Thompson told me some elaborate details about a relationship that he had with Charley Goebels after that time supposedly. And, you know, I fear that Charley, Bunny and the kids are possibly dead.

T.G.- You think Thompson has killed them?

M.R. Thompson has killed many people. Uh, Charley gave me a lot of information, uh, about his activities and relationship with the Hell's Angels. Charley chose to remain an independent, because of the way Holbert and Holbert's people moved in on the club. And Charley has been affiliated with the Hell's Angels, but he's never, uh, come to meetings or been actively involved in any of the runs or other activities, you know, because of the funny things that have been going on.

T.G.- Funny things, meaning the Soviets?

M.R.- Yeah, they didn't see it as that, you know, as such. They just saw it as, you know, something heavy going one -- there were a lot of suicides, there were a lot of murders that just weren't coincidences and it left everybody in a state of confusion and a state of fear.

T.G.- Was this a move to take over control? Is that why these people were being knocked off?

R.- Right. Uh, Terry the Tramp was very, very sophisticated, contrary to popular belief, and uh, he would have never tolerated it. He would have never figured it out, uh, in contrast to, say, Sonny Barger, who isn't very sophisticated, or Jim Jim, Sergei, Walt (?). These guys aren't very bright. Or Deacon, uh, Vern, you know, they're not very, they're not very bright; they really can't see the writing on the wall.

T.G.- Why was Goebel serving time?

I.R.- Uh, he was serving time for ditribution of amphetamines. He was one of the major producers of amphetamines for, uh, the Hell's Angels. [pause to check time left on tape] It's still going...at least ten minutes... Any way, Goebels' main thing was methamphetamines production, and when I last talked to, uh, Goebels, uh, in 1980, when I last talked to Goebels, uh, he was considering going back into, uh, business, and then, you know, he changed, you know, he was considering, because the price of, uh, amphetamines was fifteen and sixteen thousand dollars a pound, and...

.P.- Can I tell you something in the mind of an FBI agent?

.R.- Yeah.

.P.- What I told you last night you were, you are. [laughter]

.R.- Well, you know, the facts are the facts are the facts. You know, the facts are the facts.

.P.- Right, Ted?

.G.- It's possible. Depends on the FBI agent.

.P.- That's one field that I'm really slow in.

.R.- Well, it's all out there on the street. You just have to open your eyes and see it. I mean, it's blatant. I mean, that's why, with the technology that's available...

.P.- I don't understand this field. I could think of them as bennies. Are they bennies?

.R.- No, this is amphetamine powder, you know. This is methamphetamine hydro-chloride powder. It's called crank or speed on the streets and, well, you know, the problem I had with Don Wager, uh, in trying to explain the situation and the problem we had with going to Trot, was -- they were convinced there wasn't a market for amphetamines anymore-- that cocaine had taken over.

.P.- Did you ever work in the narcotics area, Ted?

.G.- No. I don't know anything about drugs.

P.- Yeah, I don't either. That's a very weak area with me.

R.- We have to get that changed [the tape].

P.- What are those -- ten minute tapes, Ted?

G.- Fifteen minutes a side.

R.- Uh, if you're gonna understand these satanic groups, uh you better get a healthy understanding of drugs, because, uh...

P.- We need to find someone who knows sométhing about them.

G.- Michael does.

R.- Uh, well, I'll have to introduce you to some former participants, who

can tell you, firsthand, what, uh, you know, what happened, and uh, some of them, and I, you know, have to qualify that, some of them, uh, have regained enough, uh, presence of mind, you know, to recollect, uh, what the ploys were used on them. Uh...

.G.- When did Goebels go to jail?

.R.- Uh, I'm not sure.

.G.- When did he disappear?

.R.- He disappeared in, uh, 1980, sometime in 1980.

.G.- Why would Thompson want to get rid of him?

.R.- Well, Thompson was, uh, Thompson wasn't a lone wolf. Uh, Thompson worked for people.

.G.- These people wanted to get rid of him?

.R.- Somebody wanted to get rid of him.

.G.- And who were these people?

.R.- Well, that had to do with Holbert's network, because they, uh, took out any body who was an independent in, you know, drug production, and the Kalka, Holbert, Kanazi group was a methamphetamine, you know one of their operations, uh, was the manufacture of methamphetamines on a very large scale. They were capable of producing, uh, Richard Kanazi was capable of producing some four hundred pounds a week of, uh, pure methamphetamine hydrochloride crystal. You know, that's an operation! I mean, that is a major size operation! Uh, and Kalka always used to refer to the operations as facilities. Uh, there's an attorney who represented Kalka, his name is Robert Mills and he's in the San Francisco Bay Area, and he handled the purchase of the property for the Kalka, Kanazi, Holbert, uh, group. And he has all the records, you know, in his files and can testify personally to, you know, that he had knowledge of, you know, at the time that the property was located and purchased, what it was gonna be used for. And we had Mills, Dr. Nichols and I had Mills, uh, agreeable to testifying, and in fact, shortly after Morașca's death, he came down to Los Angels for a meeting with us, and uh, before we could meet with him, uh, Kalka found out about it, and within, uh, two days after Kalka was released by the San Bernadino narcotics authorities, uh, he went after Robert Mills, and Robert Mills, uh, has refused to speak to me ever since then, or to, uh, Dr. Nichols. And you know, Mills, but Mills did talk to Dr. Nichols, and uh, he talked to myself on the phone and told us, you know, the story, that he had knowledge asnd currently was holding the paper on a piece of property where, uh, several hundred empty five-gallon-cans of, uh, ether, five gallon ether cans were buried, as well as alot of other stuff that would point to the existence of a methedrine uh, manufacturing facility there. And, uh, that would have been a very nice, uh, piece of evidence for, uh, the, uh, narcotics authorities, either state or federal. And, uh, you know, Kalka immediately moved on Mills, and Mills just steered clear of me ever since then, you know, he absolutely refuses to take, uh, phone calls from either myself or Dr. Nichols.

.G.- Did Thompson ever say who told him about you?

.R.- He told me it was two FBI officers.

.G.- You mean Barnes and, uh...

.R.- Uh, I told Thompson that I did not want to know and, uh, that he could tell a couple of friends of mine.

.G.- Why would the FBI talk to him about you?

.R.- Uh, they felt I had a sophisticated drug manufacturing operation going on, uh, at Hercules. Uh, Hercules, the FBI told me that, you know, Hercules was a methanol plant and it was an ammonia plant and those are the two ingredients in monomethylamine, which are the hardest to get, uh, material needed to, uh, illegally produce, uh, methamphetamine. Uh, the fact of the matter is, uh, those plants were shut down and had been shut down for a considerable amount of time and they would have taken several hundred people to operate. Uh, I mean, it was a wild fantasy on somebody's part.

.G.- What agent talked to you?

.R.- Uh, agent Barnes and agent Vollares, and a man introduced to me as their supervisor, uh, Bill Rice.

.G.- What's Vollares' first name?

.R.- Uh, I don't know. I've got it in my notes and Dr. Nichols has it in my file. Uh, you know, because Dr. Nichols also talked to Vollares.

.G.- When did the FBI talk to you?

.R.- Uh, do you have the letter on Hughes? It has the, uh, it has dates in there. Uh, Thompson, was, you know, really transparent, when Thompson, you know came to me. He was really head hunting. Uh, you know, the guy had a lot of cases; the guy was agitated; he was nervous. Uh, and I brought him into a, uh, non, uh, secure area of the lab and gave him a dog-and-pony show. You know, I said this is what we do around here. And, uh, then I told him that I would be in contact with him after he gave me his, uh, telephone number and, you know, an address. The address that Thompson gave me was for the, uh, And/Or Printing Company in, uh, Berkeley, which is a radical, uh, you know, uh, book printing company.

.G.- And Thompson came to you and said he'd heard about you and just wanted to meet you?

.R.- Oh yeah! I sounded so exciting! He said the FBI called me MagicMike, and uh, they, you know, felt that I was a big operator and that they had to get me!

.G.- What'd they go to Thompson for?

.R.- Uh, apparently they didn't have anybody else they felt they could get to come in there. Thompson is, you know, supposed to be a pretty clever operator. He's been involved with numerous armoured car robberies, uh, you know, caper type, uh, jobs. He's been involved

with robbing, uh, hijacking UPS trucks, uh, carrying valuable cargo. And Thompson always has, uh, inside information on his jobs.

.G.- Is the FBI utilizing Thompson as an informant?

.R.- Uh, I believe so. They went to the L.A. Times and asked them not to write a story about him. Uh, they went to the, uh, L.A. Police and they went to the L.A. Sheriff and they went to the San Luis Obispo Police. You know, they asked them not to pursue the case against Thompson in the Sool (sp?) matter, which was a jewelry, uh store robbery. In San Luis Obispo, they asked them not to pursue the case on the Petrucci matter, where they robbed Victor Petrucci Sr's, uh, jewelry of two hundred and seventy-five thousand dollars worth of merchandise, uh, you know, merchandise, uh, jewelry, uh, cash and gold.

.G.- So you took Thompson, right after you met him, you took him to the L.A. Times so that you'd have a witness?

.R.- So I'd have a witness and I took him to Dr. Nichols, because, uh Dr. Nichols was my, uh...

.G.- What did you tell the L.A. Times reporter about that?

.R.- Uh, I told the L.A. Times reporter this was a, uh, uh, this was an apparition, uh, and not an area of paranoia, uh, out of my past, and I feel that he was sent to me by law enforcement, uh, on a sting type, uh, operation, and that the guy was obviously head hunting.

.G.- Did you know about Thompson before he came to you?

.R.- No, I did not. Uh, I never met the man before. And I immediately started doing research,.. and the first thing I found was, uh, that, uh, that he was a hired gun, uh, whether it be to do robberies or, uh, killings -- that he would do, uh, just about anything for, uh, money.

T.G.- Who'd he work for?

M.R.- At that time, uh, I was told that he was a free-lance and that he had, uh, that he had, uh, numerous Hell's Angels connections.

.G.- Did you tie him into Holbert?

.R.- Uh, no. I could not... You better turn that over [the tape] [pause] You'd better mark that tape.

J.P.- I know.

.R.- Okay. Uh, Thompson, at first, seemed fascinated, you know, by, uh, Holbert and he seemed not to know anything about it, you know, when I explained to Thompson that I thought Holbert was giving me a bad time. I had a calculated program of disinformation with Thompson, you know, that Dr. Nichols and I had worked out. And I have a log of every single conversation that I had with Thompson. Well, I have, you know, a number of tape recordings, you know, of conversations that I had with Thompson. I kept very accurate records on my association with Thompson. Uh, and I sent Thompson on a reconnaissance mission on, uh, one of Holbert's interests, just to see...

.G.- To test him?

.R.- To test him and, uh, he came back with just complete garbage.

.G.- When you say one of Holbert's missions, what do you mean?

.R.- I sent him up to, uh, Fairfield to go through a storage locker that was owned by, uh, Richard Kanazi, or rented by Richard Kanazi and Al Holbert, uh, where I had reason to believe there, uh, might be contraband there. And, uh, mainly, uh large glassware, seventy-two-litre size, uh, you know flask, you know, boiling flask and heating mantles and so on and so forth. And, uh, he told me there was just household goods in the locker.

.G.- But you thought there was [unintelligible]

.R.- Uh, I had reason to believe that it did. I was told by Paul Morasca, uh, that was where they stored their glassware. Paul Morasca, before he died, made a list of things that were going into a safety deposit box, and I don't have all of those things that were on the list, but I have a great deal of it, and that included everything that he knew about Kalka and Holbert, including their drug connections, sources of raw material, and, uh, the outlets. Here's the letter that Nichols had made up, uh, at, uh, regarding the incident in, uh, Fresno and L.A.

.G.- [pause] This, uh, so your wife wrote this letter on behalf of, uh, you, because Barnes had promised this to you.

.I.R.- Barnes, uh, they felt that I should go under protection.

.T.G.- Why?

.I.R.- Uh, because of the knowledge that I had about, uh Kalka, Holbert and Kanazi's, uh, drug operating ring.

.T.G.- Well, did they, uh, you obviously talked to them about this.

.M.R.- I talked to them about it in detail.

.T.G.- Why do feel that the bureau has now turned on you?

.M.R.- Well, first of all, I was going to give them information.

.U.P.- You have to put the tape back on.

.M.R.- It is on. First of all, uh, one of the agreements that I made was they were going to step in and take over entirely the murder investigation of Paul Morasca. Yeah, that's what agent Barnes told me, cold turkey. Secondly, they had to come up with an acceptable protection program, which included allowing my son, Andrew, to continue going to the, uh, Woodside Priory. And, uh, uhm, there several other areas that we were negotiating on, and none of them involved, uh, immunity for me for participation in, uh, any illegal activities, so I maintained, I held the position that I was not, uh, in any functioning position in that drug ring, uh, that I had not profited from it, uh, nor had I participated in any of their illegal activities. They, uh, kept insisting that I incriminate myself, by admitting to wrong doing.

.G.- Did they have any information that would indicate that you were involved in drugs.

.R.- Uh, they felt they did. Uh, they had second, third and fourth hand information, uh, they mainly had lack of information. Uh, they saw me at Hercules, uh, we were obviously spending alot of money there; there was alot of activity, people coming and going; they were all scientists; and they equipment that was coming and going was all electronics equipment from Hewlett Packard, Tektronics, General Radio, uh from surplus, uh large surplus equipment dealers, like Tucker Electronics. Uh, we had constant packages going from, um, Interprobe Inc. in Chicago to Hercules and back and forth. And we had a lot of stuff coming and going bewteen Hercules and Lawrence Livermore Labs, uh, Elma (sp?) Engineering on the, uh, Peninsula, Iden (sp?) Engineering on the Peninsula, uh, and Electro-Vector up in Forestville (sp?) And, Uh, I don't know if I mentioned, uh, there was considerable travel, uh, between Hercules and Wright Patterson Air Force Base. Uh, you know, we were, we had been accepted for twenty-eight, you know, seperate projects at, uh, with Wright Patterson Air Force Base, so we were busy! Uh, we were in the process of building an experimental methanol plant there, as well as scrapping out portions of Hercules. I mean, there was alot of activity! And they just had, uh, they just felt the only thing that I was into was drugs! Now, for five years prior to being at Hercules, I was, at times, both superintendant and plant engineer at Panamint Marketing Corporation at the mine site in Maricopa, which was a full time job and then some! And, uh...

.P.- Is that where the kitty litter was?

.R.- That was the cat litter and oil absorbent, uh, mining operation, the surface mining operation for clay; we'd surface mine it, we'd process it by crushing and screening and drawing it; and we had a full scale packaging plant. It was a large, uh, operation! And, uh, I was up there, basically alone, and it was a rough operation. We were out in the middle of the oil fields, where there were jobs in the petroleum industry, there were jobs in agriculture, and they all paid more than mining. So we had the dregs up there! And I had people that I had to constantly supervise, or else the damage they did to equipment was phenomenal! So, I lived at the mine site and I very rarely, uh, went into town! And, usually when I went into town, it was to go to a machine shop on a major equipment break-down to supervise, you know, machine shop work.

G.- Well, that's not an indication that you were involved in anything.

R.- Well, I just tell you, uh, what their attitude, uh...

G.- Do you think they were fed information by someone else that was erroneous?

R.- Absolutely!

G.- And who would have done that to you?

R.- Well, I've had, uh, I've had threats by Kalka for years, and, uh, Kalka has wanted me to participate in his, with his activities, setting up fronts to buy chemicals, and he's wanted technical information from me. And I always thought that, you know, Kalka was

my nemesis, and much of the heat on me that was coming from Holbert, was, in fact, coming from Ben Kalka. Uh, Kalka absolutely persisted. Now I played the game with Kalka for several years at the request of the San Francisco authorities! And, you know, that's how I got enmeshed with Kalka, and then when I had a falling out, uh, after I'd moved back up to Seattle...

U.P.- The San Francisco authorities is the San Francisco P.D.? 20 b
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M.R.- Well, Joe Vanderfort, uh, Detective Joe Vanderfort and his crew. That would have been narcotics. Joe Vanderfort had a separate faction from Van Rand (sp?), and what was it, uh, Billy Morrow. He had a separate little group going and he was connected with some FBI agents and some Treasury agents and they were, they seemed to be a little elite group in narcotics. And I never really had any direct problems, uh, with, them. Uh, where I started having problems was after I moved back to Seattle, and I had a falling out with, uh, Sergeant Ferdell (sp?) and Trelevick (sp?) on the uh, Seattle Police Intelligence Unit, but that, you know, we'll get into that later.

- Well, you say that you wouldn't cooperate, so they tried to get back at you?

.R.- Uh, I wouldn't cooperate with Kalka's group and, uh, they, uh, they pressured me. And they did it with threats, and they, uh, I finally had to leave the Bay Area. And I figured that once I'd left the Bay Area, you know, that there'd be no problem.

.G.- Yeah, but today, do you think he fed information to them...

.R.- Oh, absolutely! Absolutely! And they provided them with bodies to, uh, testify.

T.G.- They testified against you?

M.R.- Absolutely! Uh, grand jury type, uh, proceedings. Uh, I asked Blair Barney at the Treasury Department, recently in fact, you know, it was about six weeks ago, I asked him if there was any record of any of the people who had implicated me in, uh, any type of illegal activity, uh, as to having taken a polygraph examination. And he said, "None."

J.P.- You're speaking about major, major crimes in the state of California...

M.R.- Oh, largest in the country!

J.P.- Largest in the country. We're speaking about an apparatus that is GRU or KGB, right?

I.R.- Well, GSW by the fact of what Holbert told me, and there's some confusion, uh, on my part, in my understanding, you know, in my observation that I've actually seen, as to whether or not parts of it are KGB or parts of it are GRU.

I.P.- Kind of a mixed bag of worms.

.R.- Yeah, that's basically what it is.